FINANCIAL TIMES

PUBLISHED IN LONDON AND FRANKFURT

No. 28,535 Friday July 31 1981 ***25p

CONTINENTAL SELLING PRICES: AUSTRIA Sch 15; BELGIUM Fr 28; DENMARK Kr 6.00; FRANCE Fr 4.50; GERMANY DM 2.0; ITALY L 600; NETHERLANDS Fl 2.0; NORWAY Kr 6.00; PORTUGAL Esc 60; SPAIN Pta 75; SWEDEN Kr 6.00; SWITZERLAND Fr 2.0; EIRE 35p; MALTA 25c

NEWS SUMMARY

GENERAL

Mersey police call in expert

Merseyside police yesterday called in policing expert Sir James Crane, chief of HM Inspectors of Constabulary, in an attempt to stop continuing street violence.

In the Commons Prime Minister Margaret Thatcher condemned comments by Merseyside police committee chairwoman Margaret Simey that the people of Toxteth would be "apathetic fools" if they did not riot.

Home Secretary William Whitelaw is to set up a police advisory board working group to consider procedures for complaints against police.

Bishop shunned

IRA hunger strikers at Belfast's Maize Prison rejected a plea by the Roman Catholic Bishop of Derry to call off their fast. Page 6

Prison criticised

Brixton Prison had a "no-go area" for staff which facilitated suspected terrorist Gerard Tuite's escape, says the Prison Service deputy director Gordon Fowler in a report critical of senior officers.

Quake toll soars

UN disaster relief workers estimated that Tuesday's earthquake in south-east Iran killed at least 8,000. So far 1,200 bodies have been recovered.

Gambian 'coup'

Gambian President Sir Dawda Jawara, in Britain for the Royal Wedding, has reportedly been ousted by a coup. Page 3

Pretoria accused

Angola accused South Africa of launching an invasion of its southern region, occupying seven towns. Page 3

Salisbury force

A force of 750 former guerrillas is to help police the Zimbabwean capital Salisbury.

Brigades raid

Red Brigades gunmen wounded four people before escaping with L400m (£175,900) in a raid on a Rome post office security van.

Ministers march

The enlisted men who took over Liberia last year have inducted Cabinet ministers into the army to learn discipline. They will train weekly.

Killer stunt

Escapologist Trevor Revell, 35, died after plunging 30 ft headfirst onto concrete when a Royal Wedding street party stunt in Portsmouth went wrong.

Air fares call

Air fares in Europe are too high and greater competition is needed, a committee of MPs argues. Page 4

Hatred charge

Young National Front organiser Joseph Pearce, 20, was committed for trial at the Old Bailey on nine charges alleging incitement to racial hatred in its magazine Bulldog.

Goodbye to Di

Prince Charles' bride should be called the Princess of Wales and not Princess Diana, Buckingham Palace insists. Electricity problems on wedding day, Back Page; Lombard, Page 10

Briefly . . .

Chinese army is producing consumer goods like bicycles.

World Chess Federation admitted the PLO as a provisional member.

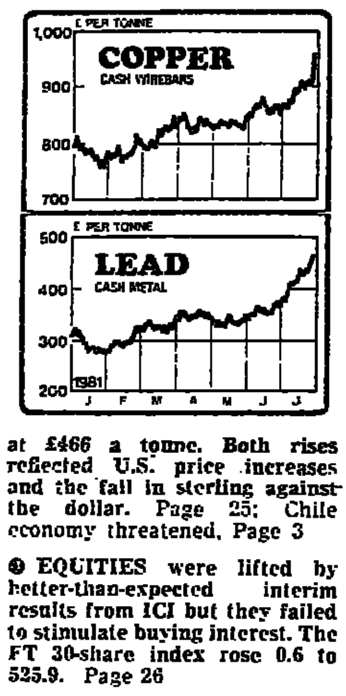
Two clergymen were sent to Soviet labour camps for performing banned Pentecostal rites.

England were 189 all out and Australia 19 for 2 on the opening day of the fourth Test.

BUSINESS

Dollar firm; copper up £38

- **DOLLAR** rose to DM 2.4560 (DM 2.4400), SwFr 2.1290 (SwFr 2.1140) and Y238.8 (Y237.1). Its trade weighted index was 112.6 (112.0). Page 20
- **STERLING** closed at $1.8575, up 33 points from Wednesday's New York finish but down 65 points from Tuesday's London close. It rose to DM 4.5625 (DM 4.5500) and SwFr 3.9550 (SwFr 3.9450) but eased to FFr 10.81 (FFr 10.8150). Its trade weighted index was 92.2 (92.1). Page 20
- **GOLD** rose $0.5 to $403 in London. In New York the Comex August close was $404.5. Page 20
- **COPPER** cash wirebars jumped by £38 to £960 a tonne, its highest since April last year, while cash lead closed £10.5 up at £466 a tonne. Both rises reflected U.S. price increases and the fall in sterling against the dollar. Page 25; Chile economy threatened, Page 3



- **EQUITIES** were lifted by better-than-expected interim results from ICI but they failed to stimulate buying interest. The FT 30-share index rose 0.6 to 525.9. Page 26
- **GILTS** drifted lower. The Government Securities Index lost 0.24 to 64.21. Page 26
- **WALL STREET** was up 5.24 to 942.64 near the close. Page 24
- **WEST GERMAN** coalition Government Partners agreed on most of a DM 18bn (£3.9bn) programme designed to slow the growth of its budget next year and cut public borrowing sharply. Back Page
- **ZIMBABWE BUDGET** proposed tax revenue increase of almost 30 per cent. Measures include a 33 per cent rise in the retail price of petrol.
- **U.S.-SOVIET TRADE** rose 58 per cent in value to $943m (£496m) in the first four months of the year. Page 4
- **DAYS LOST** through strikes fell from 11.04m to 2.58m in the first half of this year. Page 6
- **BRITISH GAS** and Mobil signed the first contract for the delivery of North Sea natural gas through the UK's planned £2.7bn offshore gas gathering system. Back Page
- **STOCK EXCHANGE** chairman Nicholas Goodison promised a full report within six months on the exchange's investigation into suspended stockbrokers Halliday Simpson. Page 5
- **SWEDISH ANTI-TRUST** ombudsman raised objections to a major reorganisation of building product operations being negotiated by Swedish Match, ASSI and Sodra-Skogsagarna. Page 22
- **BRITISH SHIPBUILDERS** said its losses fell sharply last year but warned that planned naval spending cuts could put several thousand jobs at risk. Page 5
- **LONRHO** taxable profits fell from £49.7m to £40.7m in the half year to end March. Page 14; Lex, Back Page
- **FITCH LOVELL**, food group, turned in taxable profits £2m lower at £9.19m in the year to April 25. Page 15

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES		
Arbuthnot Latham	287	+ 12
Firth (G. M.)	140	+ 3
Fitch Lovell	75	+ 5
Glaxo	380	+ 6
Harris and Sheldon	53	+ 21
Howard Tenens	73	+ 5
ICI	278	+ 10
Intnl. Thomson	262	+ 16
Johnson Matthey	268	+ 10
Needlers	65	+ 5
Ofrex	158	+ 20
Paterson (R.)	74	+ 4
Reed Intnl.	266	+ 11
Unochrome	16½	+ 2½
Highlands Lowlands	66	+ 5
Kuala Lumpur Kpg.	56	+ 4
RTZ	558	+ 13

FALLS		
Treas. 13pc 2000	£87	− ¼
Aeronautical Gnrl.	340	− 25
Barclays Bank	430	− 8
Broken Hill Prop.	810	− 35
NatWest Bank	395	− 5
Sedgwick	134	− 5
Tube Invs.	134	− 4
Ashton Mining	95	− 8
Central Pacific	77	− 5
Eagle Crpn.	50	− 5

Granny bonds to be available to all from September 7

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

INFLATION PROOFED national savings—granny bonds—are to be made available to everyone irrespective of age from September 7.

The move will intensify competition in the personal savings market. Building societies were last night expressing concern about the implications for the mortgage rate.

The certificates (the second index-linked issue) offer inflation-proofing of capital in line with the retail prices index for those holding the bonds for at least one year. In addition, a bonus of 4 per cent is available after five years. Certificates are sold in units of £10 up to a maximum of £3,000.

The certificates have been available to people over 50 since April and were on sale to those over 60 from November.

From September, trustees, registered friendly societies and eligible charitable and other bodies will be able to hold the certificates as well as the public.

In a speech to businessmen in Oxford yesterday, Mr Nigel Lawson, Financial Secretary to the Treasury, said there would now be "an inflation-proof bond for every member of the family—the people's bond, if you like."

Mr Lawson also disclosed that the overall target for net inflows into National Savings this financial year had been increased from £3bn to £3½bn.

He said: "The great advantage of funding in this way is that it reduces the extent of our reliance on the gilt-edged market, and hence eases the pressure on long-term interest rates."

Mr Lawson said the Government had been able to attract inflows into National Savings on an unprecedented scale without imposing an excessive squeeze on the building societies, which have still generally been able to meet the demand for mortgages."

In his speech Mr Lawson said that, even after allowing for the distortions caused by the Civil Service strike, "our best judgment at the present time, peering through the statistical fog as best we can, is that there is no reason to expect a public sector borrowing overshoot this year."

Mr Lawson also defended the recent auction of the indexed gilt for pension funds. The sale of such a stock in highly uncertain conditions demonstrated its usefulness. He accepted, however, that commentators who had drawn attention to the elegibility restrictions "as a factor contributing to the issue's initial under-subscription" have a point.

"This is a complex issue, particularly so far as tax treatment is concerned but it is something we may need to look at again," he said.

Michael Cassell writes: The building societies were not in celebratory mood yesterday. Mr Richard Weir, secretary general of the Building Societies Association, said that societies were having difficulty attracting sufficient funds to meet home loan demand and the Government's decision was not going to help.

The impact may not, however, be as substantial as might be expected. Over 60 per cent of building society savings balances involve investors over the age of 50, who already qualify for the index-linked stock. The view of some of the largest societies is that while the removal of the age qualification may temporarily affect savings inflows—as in the case of previous age reductions—the effects might be shortlived.

Societies have for the last few months been lending over £1bn a month to home buyers, supplementing the advance programme by running down liquidity. They may not be prepared to do so for much longer, however, and any reduction in inflow created by increased competition will make the chances of a reduction in mortgage rates more remote.

Enter the peoples bond, Page 12
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French Cabinet orders freeze on 18 nuclear power reactors

BY TERRY DODSWORTH IN PARIS

THE FRENCH Government yesterday froze a substantial part of the country's nuclear power programme in advace of a major debate on energy policy in the National Assembly and regional assemblies in October. However, of all major current work on nuclear power projects is to continue.

The decision by the Cabinet means that work on five sites involving 18 reactors will halt immediately. The meeting confirmed that the most controversial project, at Plogoff in Brittany, will be abandoned.

Construction of 14 reactors on five other sites, however, is to continue.

Protesters from both sides of the political spectrum attacked the measures last night. Some ecologist groups complained of "betrayal" because the freeze did not go far enough for them. Trade unionists, though, demanded that the Government should continue with the original programme as planned, to provide jobs.

These pressures from the different elements of the left are clearly reflected in the Government's decisions, which steer a careful line between President Francois Mitterrand's pre-election promise to review and trim the nuclear programme and the need to preserve employment.

M Edmond Herve, the Energy Minister, said the freeze would be achieved without the loss of "one single job." Work on the five projects where construction was already well advanced would continue as planned.

Building has yet to start on the five sites where development work is to be suspended, and the teams of surveyors and other staff will be redeployed by their employer, Electricite de France. The frozen projects are at Chooz and Cattenom, near the Belgian and West German borders, and Le Pellerin, Golfech and Civaux in eastern and southern France.

It is clear that, for the time being at least, the more pragmatic voices in the socialist Government, who argue that the nuclear power industry is an important generator of jobs, economic activity and relatively independent energy, have won the day.

Although the ecologists and the other anti-nuclear groups have shown their disappointment at the decision, M Mitterrand has interpreted his election promises quite strictly to allow all the important work to go ahead.

Even at the Nogent site near Paris, wher there were particularly vociferous ecological protests, construction is to continue while a special committee looks into pollution problems on the Seine.

The long-term future of France's nuclear policy and the five sites where work has stopped thus hinges on the outcome of the October debate.

Following discussions and a vote in the National Assembly the plan will later be put to the regional assemblies for further debate. But a vague proposal for a referendum on the energy issue has been dropped.

If the Government's proposals in October broadly follow the lines of the Socialist Party's pre-election proposals, the nuclear programme will gradually be trimmed, in contrast to the extremely ambitious plans of the previous government.

West German breeder reactor under scrutiny, Page 2
Growth of nuclear power faces delay, Page 5

Sedgwick-Alexander merger off

BY CHRISTINE MOIR IN LONDON AND DAVID LASCELLES IN NEW YORK

SEDGWICK GROUP of the UK and Alexander and Alexander Services of the U.S., two of the world's largest insurance brokers have abandoned their merger plans.

Announcing the end of the 18-month merger talks, first announced publicly last December the two companies said yesterday they had been defeated by "fundamental differences in the tax systems of the UK and the U.S."

Their failure to win the U.S. tax authorities' approval for a marriage of the two systems could cast a cloud over any future attempts at transatlantic mergers.

The problem arises only where companies of equal size plan a full merger. It does not apply in takeovers where one group of shareholders is bought out by another.

At the heart is the different treatment of dividends for taxation purposes.

The UK has an "imputation" system, under which shareholders receive a credit towards their tax liability on dividends, which is then available to the company to offset part of its corporation tax. The principle is that the shareholders and the corporate entity are interlinked.

In the U.S. there is no such link and the company and its shareholders are taxed independently.

Mr Neil Mills, chairman of Sedgwick, said yesterday that the UK tax authorities had been "very helpful" over the merger plans but the U.S. attitude had been unbending. Alexander and Alexander also said it was the U.S. authorities which had bee n"sticky."

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British Telecom borrowing plan viewed favourably

By Jason Crisp

BRITISH TELECOM may be allowed to borrow from private sources to help fund its massive investment programme. This follows Government plans to make substantial reduction in its monopoly to supply telecommunications services.

S. G Warburg, the merchant bank, has devised a new scheme of a preference share or "telecom bond" which is being discussed by the Department of Industry and the Treasury.

Mr Kenneth Baker, Industry Minister, said yesterday that the proposed new borrowing instrument was viewed sympathetically. Discussions with the Treasury had "gone much further down the road" than an earlier idea for a telecom bond.

The new bond would be outside the Public Sector Borrowing Requirement and would also count as part of British Telecom's External Financing Limit. It would be linked to the operational performance of the corporation and its profitability and as such it is thought it will not compete with gilts.

The advantage of the bond appears that British Telecom's external financing limit would be higher than it otherwise would have been, according to Mr Baker. If it receives Treasury approval the first bond, is likely to be for £100m.

Mr Baker confirmed in the Commons yesterday that British Telecom is to lose its monopoly to supply telecommunications services in a number of areas. But the relaxation is to be phased and British Telecom is to have a major say in the granting of licences in some areas.

From British Telecom's vesting day — probably October 1 — private companies may be licensed to sell value added network services which British Telecom will not be supplying before 1983. There are services provided on private telephone circuits leased from British Telecom such as the storing and forwarding of data or messages and answering services.

From January 1 next year companies will be able to offer any value added network service in competition with British Telecom, provided some service is added and is not the straightforward resale of capacity. The Government is to look at the straightforward resale at a later

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£ in New York

	July 29	Previous
Spot	$1.8535-8560	$1.8585-8660
1 month	0.65-0.72 pm	0.70-0.77 pm
3 months	1.85-1.95 pm	1.90-2.00 pm
12 months	5.05-5.25 pm	5.20-5.40 pm

CBI disagrees with Howe on trends survey

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

A SHARP clash of views over the state of the economy developed last night between the Government and the Confederation of British Industry when Sir Geoffrey Howe, Chancellor of the Exchequer, claimed that "we are now at the end of the recession."

He based his view on the CBI's latest quarterly industrial trends survey. But the confederation had interpreted the survey far less optimistically when it published the findings earlier in the day, and said there was "not even a modest pick-up in overall demand" in prospect.

The survey showed that Britain's two-year slide into deep recession had flattened out as expected. But the CBI's staff had not been prepared to accept marginal swings in the balance of opinions about output and orders as firm evidence that the economy was lifting off the bottom.

In most industrialists' view, the recession would not be over until there was a clear lift-off. The survey also showed that redundancies were expected to continue at 40,000 a month until the autumn which, although only half the figure experienced early in the year, indicated continuing cutbacks by companies. Destocking was also continuing.

"There is still no sign of any general upturn in the economy." Mr James Cleminson, chairman of the CBI's economic situation committee, said. "There is no question that the situation is flat and remains flat."

Sir Geoffrey took a much more bullish line in the Commons during his last question time before the long summer Parliamentary recess. To cries of derision from the Opposition he said that "every relevant indicator is that survey is now positive." But he did not explain that most of the indicators were based on the balances of changes of view from one quarter to another, not factual assessments.

Sir Geoffrey was therefore able to claim that the survey showed "greater optimism," even though 67 per cent of the 1,800 companies surveyed said their confidence was unchanged. The "greater confidence" claim was based on a plus 2 per cent balance between the more confident and the less confident companies, the first positive figure since April 1979.

Mr Leon Brittan, Chief Secretary to the Treasury, explained the position in terms more acceptable to the more confident CBI members when he said in the Commons that the

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ICI profits up again

BY CHRISTINE MOIR

SECOND QUARTER profit figures from Imperial Chemical Industries confirm the company's gradual improvement. Yesterday's announcement that they were up to £83m from £52m pre-tax in the first quarter was accompanied, however, by a warning and a 25 per cent cut in the interim dividend.

Although ICI's shares rose 10p to 278p the company warned: "There is still no sign of a general recovery and price levels remain unsatisfactory in many parts of the business."

Pre-tax profits for the six months to June were £135m compared with £274m in the first half of last year. In the second half of last year the group managed to produce only £10m.

Last year ICI paid out 12p net by way of an interim dividend, but slashed this to 5p for the final dividend. Yesterday's announcement that the latest interim dividend is to be only 9p must be set against that pattern. It is also to be paid in October, a month earlier than usual.

Group sales in the six months showed a small increase of £124m over the £2.96bn achieved in the same period last year, but taken quarter on quarter the improvement was more marked. The second quarter figures were £1.6bn, £107m higher than in the first quarter.

There was a real volume increase in group chemical sales of 5 per cent, confirming the company's statement that "some improvement in trading conditions" had been experienced.

However, UK chemical sales were still 5 per cent lower in volume than a year ago.

Trading profits from oil in the second quarter, including ICI's share in the Ninian oilfield in the North Sea, were £14m after supplementary petroleum duty and petroleum revenue tax of £25m.

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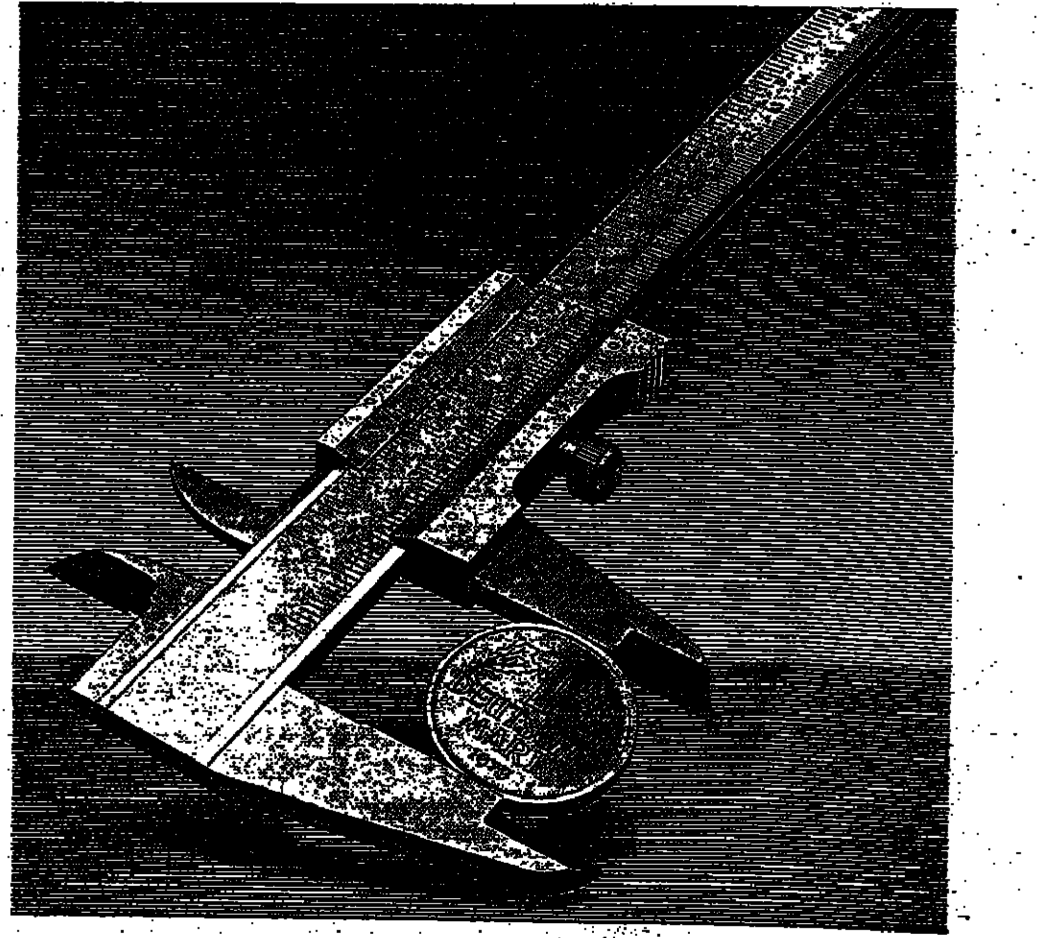

Bonn reduces its defence spending plans by £440m

BY ROGER BOYES IN BONN

THE WEST GERMAN cabinet has agreed to reduce by about DM 2bn (£440m) the amount the Defence Ministry had hoped to spend next year, as part of across-the-board public spending cuts announced yesterday.

The move, which will allow defence spending to increase by only 4.2 per cent before inflation is taken into consideration, means that West Germany will almost certainly fall short of the North Atlantic Treaty Organisation's target of increasing defence spending by 3 per cent in real terms next year.

Chancellor Helmut Schmidt defended the size of the increase and stressed that West Germany's contribution to the security of the alliance would not be seriously affected. Other European countries were also having their problems, he pointed out—"as careful readers of English newspapers will no doubt be aware."

Bonn was laggin gconsiderably behind the level of U.S. defence spending, he conceded. "We cannot compete with such levels but of course we are suffering from American interest rates. It was not us who initiated high interest rate policies." West German defence spending had increased some 2.9 per cent in real terms over recent years, he said.

Herr Hans Apel, the West German Defence Minister, had originally asked the Finance Ministry for a nominal increase of 8.1 per cent in the defence budget for next year. This, with a projected 1982 inflation rate of about 4.5 per cent, would have allowed Bonn to meet the Nato target. But Herr Apel's plan was probbaly unrealistic. It would have involved DM 3.8bn increase o ntop of a 1981 budget which had already been filled up with supplementary support for the Tornado multi-role combat aircraft and unexpected fuel costs.

Instead, his budget is rising by only 4.2 per cent, which will probably create a shortfall of DM 2bn. Herr Schmidt said yesterday the move would almost certainly lead to complaints and it was evident that the Bundewehr would not be able to have everything it wanted. Howeveer, no exception could be made for any public sector i nthe present round of cuts. The 4.2 per cent rise was exactly in line with the growth of the 1982 budget as a whole.

Although he did not spell this out, Herr Schmidt left the way open for a possible supplementary budget.

Herr Schmidt (right) and Herr Genscher pictured before yesterday's cabinet meeting

Hitch in Netherlands coalition attempt

By Charles Batchelor in Amsterdam

THE DUTCH Christian Democratic Party MPs yesterday voted in principle to support a new coalition with Labour and Democrats 66 but maintained all their original objections to the draft government policy document drawn up with the other two parties.

Mr Dries van Agt, the party leader and prospective Prime Minister, speaking after yesterday's lengthy meeting, said that the entire chapter referring to defence policy in the draft agreement would have to be scrapped. This would appear to rule out any swift agreement on a new government programme.

The Labour and Democrat 66 66 parties had earlier refused the Christian Democratic request for further negotiations over the draft programme. The three mediators appointed by Queen Beatrix to bring the parties together have also refused to continue negotiations. This is particularly embarrassing for Mr van Agt as two of the mediators are senior members of his own party.

The Christian Democrats are opposde to an indefinite delay in a decision on stationing 48 cruise missiles in the Netherlands as part of Nato's plan to modernise its theatre nuclear forces in Western Europe.

The party, which was only recently formed by a merger of three smaller parties, is once again threatening to split into conservative and progressive wings. The former is pressing for more concessions from the two prospective left-wing coalition partners, while the progressive MPs are happy to accept the compromise which has been reached.

Poland's Depu Prime Ministe expected to qu

BY CHRISTOPHER BOBINSKI IN WARSAW

THE POLISH Deputy Prime Minister in charge of the economy, Mr. Mieczyslaw Jagielski, is expected to resign today in a move which reflects criticism of his handling of the economy and which comes amid continuing protests over food shortages.

Tens of thousands of women, some of them with children, marched through the centre of Lodz yesterday, protesting against food shortages. A similar one is expected in Szczecin today in a campaign which is designed to force the authorities to rescind their decision to cut meat rations by 20 per cent.

Bus and tram drivers in Warsaw are planning to strike for three hours next Wednesday, while workers at the Ursus tractor factory have followed the lead of shipyard workers in Szczecin and are refusing to accept the new ration cards. Protests are also planned in six towns near Lodz.

Speaking in a parliamentary debate on the Government's economic proposals, Mr. Zbigniew Giertych, warned the authorities against introducing drastic price increases. Mr Giertych, who was speaking for the parliamentary committees which have examined the plan, urged the Government to compensate the lowest paid, price increases and e gested a national ref on the issue.

Gen Wojciech Jaruze Prime Minister, will to pose to Parliament Janusz Obodowski, the and Labour Minister, s place Mr Jagielski.

Mr Jagielski's eclipse his failure to be re-el the party leadership recent congress. He is known for signing the agreement last Augus led to the format Solidarity, the inde trade union. He held economic posts in the ment in the 1970s.

The congress delegat him partly responsible economic crisis an departure marks a bid a break with the p Obodowski is to be rep the Incomes Ministry Antoni Rajkiewicz, a r expert in the field.

Gen Czeslaw Kiszcz former head of counte gence—traditional rival internal security police become Interior Ministe gives Gen Jaruzelski m trol over the day-to-day of the ministry which is to be a power unto itsel

Exports boost trade surplus to £368m

BY KEVIN DONE IN FRANKFURT

A STRONGER export performance helped to boost the West German trade account to a surplus of DM 1.673bn (£368m) last month compared with a surplus of only DM 275m in June last year.

The latest trade figures released yesterday by the Federal Statistical Office are a further encouraging sign that the two-year decline in the West German current account, which slumped to a record deficit of more than DM 29bn last year, might finally have been halted despite a deficit of DM 3.8bn in June.

The foreign exchange markets showed little response to the trade news, however, and the D-Mark was priced against the U.S. dollar at DM 2.4683, its lowest official fixing level in Frankfurt since September, 1976.

In open trading earlier this month, the D-Mark fell at one point to just over DM 2.48 and since the beginning of the year it has effectively been devalued by some 20 per cent against the U.S. currency.

Dealers are being decisively influenced by continuing high U.S. dollar interest rates and they remain unconvinced that the Federal Government can push through its plans to slow substantially the growth in public expenditure.

In addition there has been little encouragement on the inflation front and the provisional figures for July—based on estimates from four West German states—show an increase in retail prices of 5.8 per cent compared with the same month a year earlier, against 5.6 per cent in June.

The weakness of the D-mark against the dollar is helping to fuel the rise in import prices. In June import prices were 16.2 per cent above the level a year earlier compared with year-on-year increases of 14.2 per cent in May and 11.8 per cent in April. Import price rises are already feeding through to the consumer and the oil companies in West Germany have just completed a new round of petrol price increases, the seventh this year.

The weak D-Mark is significantly boosting West German exporters' competitiveness in foreign markets, however, and exports from the Federal Republic rose to DM 32.362bn in June compared with DM 28.485bn in June, 1980.

Despite fast-rising import prices the value of imports climbed more slowly than exports, increasing to DM 30.689bn compared with DM 28.211bn in June last year.

For the first six months of 1981, the trade account shows a surplus of DM 6.351bn compared with a surplus of DM 4.398bn in the first six months of 1980.

Despite signs that overall the worst point has now been passed, the current account, which includes services and transfer payments as well as trade, still closed with a deficit of DM 3.8bn in June compared with a deficit of DM 3.1bn in June last year and of DM 1.5bn in May.

The deficit in the first six months totalled DM 14.4bn compared with DM 12.4bn in the first half of 1980 heavily influenced by the appalling figures of the first quarter.

There is usually a marked seasonal deterioration from May to June with the start of the holiday season bringing much higher deficits on West Germany's travel account.

The decline has been accentuated this year, however, by an accumulation of other negative factors including a bunching of dividend payments by West German companies to foreign shareholders, the Federal Statistical Office said yesterday.

Squeeze puts future of fast breeder reactor in doubt

BY ROGER BOYES IN BONN

THE FINANCIAL squeeze in Bonn has put a question mark over the future development of West Germany's only nuclear fast breeder reactor. The joint West German-Dutch-Belgian Kalkar project is due to play an important role in Bonn's atomic energy plans, and thus in reducing dependence on oil imports, but unsuccessful discussions between the Government and electricity companies has clouded the plant's prospects.

The root of the problem is that the Research Ministry, which has financed some 90 per cent of the total DM 2bn (£440m) West German investment in Kalkar, wants electrical utilities to invest more in the project. The Ministry, faced with the need to trim some DM 300m (£66m) from the 1981 budget, and perhaps even more from the 1982 allocations, has been prodding utilities such as RWE and Kraftwerkunion (KWU), the country's largest atomic reactor constructor.

Both RWE and KWU have promised to increase their contribution to about DM 41m over the next two years, but the Government wants industrial participation to the tune of DM 300m. The chances of Bonn succeeding in this aim are slim for two reasons.

First, an inherent distrust of fast breeder nuclear technology within part of the ruling Social Democratic Party has meant that Parliamentary approval will be necessary before Kalkar can come on stream. Industry is clearly reluctant to plough huge investment into the project and then have it rejected by Parliament.

Second, the West German electrical utilities want to offset any higher investment in the project by raising the price of electricity, in a kind of informal "research tax." Regional governments are firmly resisting this as their budgets would suffer considerably as a result.

The Government thus is in a dilemma. On the one hand, it is constantly urging the need for nuclear energy, to minimise oil dependence and ease the strain on its current account and imported inflation. This has required an almost evangelistic struggle against nuclear power sceptics within its own ranks who resist the fast breeder especially because of possible safety hazards.

On the other hand, Bonn has had to cut back public spending levels radically in order to contain one of the main sources of domestic inflation.

The problem is not confined to Kalkar. It also embraces a thorium high temperature nuclear reactor in the Ruhr and a number of other non-nuclear projects such as coal gasification plants. Kalkar and the Ruhr reactor, according to current estimates, will cost a total of DM 8bn, three times the original estimate. One solution for the Research Ministry could be to abandon one project, such as the Ruhr reactor, and then concentrate resources on the fast breeder, which has become a symbol of the country's nuclear energy programme. Even this line of thought, however, is being resisted both by industry and by regional governments.

It has been suggested that West Germany is some 15 years behind France in the level of development of nuclear energy—France has long had a fast breeder reactor. Kalkar will not come on stream until 1986 at the earliest and even this date depends on Parliamentary approval for the commissioning, and on other legal and ecological obstacles being overcome.

Defferre threat on devolution

By David White in Paris

THE FRENCH Government, irritated by the Opposition's delaying tactics in the debate on its key Decentralisation Bill, yesterday bluntly told Parliament it could not take its summer recess until the first reading of the bill's basic political provisions had been completed.

M Gaston Defferre, the Interior Minister, told the National Assembly, whose current session was due to end today, that it would be called back for as long as is necessary to get the first part of the bill through.

His bid to persuade MPs to get on with debate was later backed up by the Cabinet at its weekly session, but appears to have caused some disagreement among ministers.

The Assembly is in any case due to be recalled for a special session in early September.

M Defferre is determined to push the first part of the bill through as soon as possible. It deals with the division of powers between central, local and regional authorities and a reform of the current prefectoral system.

Spokesmen for the neo-Gaullist RPR, which has made a concerted attack on the proposals, and for the centrist UDF said they would defend their position "to the end." They accused the Government of attempting a political coup.

Socialist MPs, who hold the majority in the Assembly, were told yesterday to drop all constituency engagements in the next few days in order to concentrate on the decentralisation debate.

M Defferre has had to postpone a visit he was due to make on Saturday to Corsica, for which the Government has promised a special statute.

The cancellation coincided with a break in the calm which has reigned in Corsica since President Mitterrand's election victory. A bomb went off during the night at an electricity transformer near Ajaccio.

Italy's biggest part seeks new directio

BY JAMES BUXTON IN ROME

ITALY'S Christian Democrat Party, buffeted by political setbacks and threatened by internal divisions, today starts two days of discussions aimed at uniting the party and defining a coherent new strategy.

Some 94 Members of Parliament, backed by leading Christian Democrats outside, have signed documents calling for the resignation of Sig Flaminio Piccoli, the party secretary, and for significant changes in the constitution of the party, the biggest in the country.

This group, among whose leaders is Sig Nino Andreatta, the Treasury Minister, blames the present leadership for the party's recent defeats. In the past three months, the Christian Democrats have lost the prime ministership for the first time since 1946, seen their share of vote reduced in the local elections in June and had the anti-abortion viewpoint they supported in May's referendum resoundingly rejected by the voters.

Along with other parties, the Christian Democrat Party is tainted by the scandal of the P-2 Masonic lodge. Its image was dented by last autumn's scandal over oil tax evasion and it took the brunt of the blame for the mishandling aftermath of the eart last November.

The campaigners agai Piccoli have called f "renewal" of the party. would like to see direc tions for the post of se and elimination of the of factions. Broadly, the the dominance of the old faces at the top diluted and for the pa project a more purposef progressive image.

The discontent withi party has accentuated the divisions between the which currently has the taryship, and the factions Left, which believe i operation with the Com Party. However, there ar that several weeks of fe meetings since the ann ment of the conveni today's national council (groups MPs and other l party representatives) ma staved off a major challe Sig Piccoli for the time be

At least some of the di on the Right have been p up, though there is unce over the role of Sig Donat Catfin, who had to as vice-president last because of his son's involv in terrorism, but who i making a comeback.

Unions refuse to agree target for inflation rate

BY OUR ROME STAFF

THREE DAYS of talks between the Italian Government and leaders of the three trade union federations on cutting Italy's 20 per cent inflation rate have ended with little tangible progress.

The unions refused to agree with the Government on a target rate of inflation for the next 12 months which unions, the Government and employers would strive to achieve.

The breaking point apparently came late on Wednesday when Sig Giovanni Spadolini, the Prime Minister, implied that the curbing of the *scala mobile* indexation system would have to be part of a planned inflation rate policy. The communist oriented CGIL union has said it will n cuss the subject of the *mobile*. The unions wer dismayed by the Govern reluctance to restrain ri officially controlled price tariffs.

Both sides were able to on broad lines of Gover economic policy and agr meet again in Septe Agreement on a target in rate had been expected one had anticipated that major decilsons would be before the unions had a c to consult their members are now going on holiday an indication of goodwil Government is to freez rent increase due on Aug for two months.

Portugal's President gives full backing to beleaguered Premier

BY OUR FOREIGN STAFF

PORTUGAL'S PRESIDENT, Gen Antonio Ramalho Eanes, yesterday expressed full confidence in Sr Francisco Balsemao, the country's Prime Minister, who is being urged to make changes in his cabinet.

While admitting that the Premier was under pressure from his own Social Democrat Party and from the Christian Democrats, who are partners in his coalition, the President said he saw no reason to intervene.

President Eanes, who has been in London for the Royal wedding, has the power under the constitution to dismiss the Prime Minister and appoint a successor.

But he made clear that he saw no parallel between Portugal's current political crisis and that which led to the dismissal of Dr Mario Soares in 1978 following the withdrawal of Christian Democrat ministers from the Socialist-led Government.

"Sr Balsemao has the conditions to continue as Prime Minister and his government has my backing," President Eanes said. Sr Balsemao has been forced to reshuffle his party executive as a result of the abrupt resignation this week of Sr Carlos Macedo, the Social Democrat Minister for Social Affairs.

Sr Macedo has acted as catalyst of critics of Sr Balsemao in the party rank and file, who yearn for the fiery brand of leadership personified by Sr Francisco Sa Carneiro, the late Prime Minister.

The present Premier has found himself hte target of an attack from Sr Diogo Freitas do Amaral, the leader of hte Christian Democrats.

He has also been hampered by the worsening state of the economy. The balance of payments deficit has been aggravated and the rate of inflation this year, originally targeted at 16 per cent, nwo looks like increasing to more than 20 per cent.

Sr Balsemao may now find himself with no alternative but to rid himself of some ministers and form a more conservative cabinet in return for peace from his coalition partners and his own rank and file.

During his three-day stay in Britain, President Eanes had meetings with a number of leading political figures, including President Francois Mitterrand of France and Dr Joseph Luns, Nato's secretary-general.

He said he had been assured by M Mitterrand that the French Government would not impose restrictions on the nearly 1m Portuguese emigrants living in France.

President Eanes . . . no reason to intervene.

Denmark has £2.3m June trade surplus

By Hilary Barnes in Copenhagen

DENMARK HAD a trade surplus in June for the first time since November 1958. The surplus was DKr 33m (£2.3m) with exports at DKr 10.14bn and imports at DKr 10.11bn. Exports were up from the same month last year by 23.2 per cent, while imports were down by just under 1 per cent.

The trade deficit for the first half year was down from DKr 9.72bn last year to DKr 5.07bn with exports up by 17.6 per cent to DKr 55.72bn and imports up by 6.5 per cent to DKr 60.87bn.

In spit of the improved trade figures, the current balance of payments deficit this year is only expected to show a small improvement on last year's

EIB loans to Italy

The European Investment Bank has made five loans totalling L96bn (£42m) for development projects in southern Italy, including two to help restore electricity and telephone services in areas stricken by last year's earthquake,

Spain lines up with the West at European security conference

BY TOM BURNS IN MADRID

A SIGNIFICANT sideshow to the bitter East-West debates that have marked the European security and cooperation conference here has been the manner in which Spain made use of the first major international conference it has ever hosted to align itself definitely with the West.

Politicians in Madrid said yesterday that the conference—now adjourned until October—had served as a trial run for the Spanish diplomats who worked closely with the Nato group at the meeting in expectation of full membership of the organisation before the end of this year.

In practice, the 15 Nato members at the Madrid conference, which is reviewing the Helsinki accords, met as what came to be known as the "Western group." This comprised the Atlantic alliance and Spain as a 16th member with an equal right to chair meetings of the caucus, speak and vote on policy decisions.

The expanded grouping enabled Spain to act as if it were a full alliance member in spite of the fact that the Spanish parliament has still to approve entry. This is publicly supported by the Union de Centro Democratico (UCD) Government of Sr Leopoldo Calvo Sotelo but is contested by the Socialist and Communist opposition.

In the view of Madrid politicians, by the time the conference reconvenes in the autumn Spain will be in the full throes of a parliamentary debate on Nato entry. The conference marked a departure point in Spain's international alignment. At the last review conference, in Belgrade in 1978, the Madrid Government pursued an independent strategy that kept its distance both from Nato and from the so-called neutral and non-aligned nations.

The choice of Madrid as a venue to continue discussion on detente was in part the result of the uncommitted attitude by the Spanish team at Belgrade. In the intervening period, however, the UCD Government declared its Nato interest and ordered its diplomats at the meeting to establish strong links with the alliance that would serve as a preparation for entry.

The choice of Sr Javier Ruperez, a career diplomat who is also a UCD member of the lower house of Parliament, to head the Spanish delegation was indicative of the Government's determination to make full use of the policy platform afforded by the Madrid meeting. Sr Ruperez is a convinced atlanticist and an important influence in the governing party's shift towards Nato. At a news conference to mark the recess, Sr Ruperez said it was his sincere hope that Spain would be a full member of the alliance before Christmas.

Spanish diplomats admit that the "Western group" caucus has made a considerable tribution to the proce acquainting Spain with Atlantic alliance. The G ment believes firmly th spite of the expected o tion from the Left, it w able to win the vote in P ment and apply to joint by mid-autumn.

The Government's decis move fast on the qu reflects its wish to hav issue settled well before tions which could take as early as next spring constitutionally, must be before April 1983. What i clear is the effect th expansion of Nato might on the balance between blocs. The Soviet Unio expected to make its oppo to Spanish entry very when the Madrid conf reconvenes.

Communists stage revolt over leadership

BY OUR MADRID CORRESPONDENT

ONE-THIRD of the delegates at the Spanish Communist Party's congress yesterday refused to endorse the report presented to it by Sr Santiago Carrillo, the secretary general, on behalf of the central committee.

The move reflects the growing opposition to the party's veteran leadership, and represents an unprecedented revolt in a party congress. The report was approved by 689 delegates, while 64 rejected it and a block vote of 266 delegates abstained.

Sr. Carrillo, 66, who has led the Spanish Communists for more than 20 years, appears set for re-election when the four-day congress winds up in Madrid today. But he seems likely to forfeit his previously uncontested grip of the party.

In a key alteration to the leadership structure, two deputy-secretary-general posts were created and the membership of the central committee was reduced from 166 to 99.

Several long-serving members of the central committee and close colleagues of Sr Carrillo, who have been accused by the dissidents of being inefficient and out of touch, were set to lose their posts.

The dissidents were poised to place Sr Nicolas Sartorius, who represents the party's younger generation in one of the two deputy leader posts.

FINANCIAL TIMES, published except Sundays and holidays. subscription rates $365.00 per a Second class postage paid at York, N.Y., and at additional centres.

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Angola accuses Pretoria of 'launching invasion'

BY QUENTIN PEEL, AFRICA EDITOR

THE ANGOLAN Government yesterday accused South Africa of launching a "major invasion" of southern Angola, and occupying seven towns up to 60 miles from the border of Namibia (South-West Africa).

The charge was made as senior diplomats from five Western countries met in Paris in an effort to find a new formula for a settlement in Namibia, where South African troops are fighting guerrillas from the South West Africa Peoples' Organisation (Swapo).

It was immediately dismissed by Gen Magnus Malan, South African Minister of Defence, as Angolan propaganda intended to influence the outcome of the Western talks, which involve the U.S., Britain, Canada, France and West Germany.

The Angolan claims tally with reports earlier this month from both Pretoria and Windhoek, the Namibian capital, that the South African Defence Force was involved in a major operation to create a "buffer zone" in southern Angola, cleared of Swapo guerrilla bases.

The communique from the Angolan Defence Ministry claimed that South Africa had increased its troop strength on the Namibian border to 40,000, and launched its latest attack with an infantry brigade, two combined battalions of South Africans and mercenaries, and a motorised infantry battalion.

It said the South African air force was "maintaining tight control over the airspace of the whole of Cunene province, providing cover for their ground forces."

Gen Malan denied that the South African Defence Force was involved in any large scale operations in Angola, "although certain follow-up and hot pursuit operations are constantly carried out against Swapo terrorists in southern Angola."

Western officials were at pains to stress yesterday that the operations would have no immediate effect on the Paris talks, in which they are attempting to "strengthen" the United Nations plan for a ceasefire and UN-supervised elections in Namibia.

The latest meeting has been inspired by bilateral negotiations between the U.S. and South Africa, and is intended to propose ways of reassuring the fears both of Pretoria, and internal parties in Namibia who oppose Swapo, that the settlement process will not favour the guerrilla movement.

President of Gambia 'ousted'

BY MARK WEBSTER

THE PRESIDENT of the tiny West African state of Gambia, Sir Dawda Jawara, has been ousted in a coup while attending the Royal Wedding in London, according to reports from the capital, Banjul.

The leader of the coup has identified himself as Kukli Samba Sanyang and set up a National Revolution Council. Mr Sanyang is a former electoral candidate for the banned Popular Socialist Party.

The coup was carried out by units of the 500-strong paramilitary "field force" following prolonged unrest in the Gambia because of economic troubles.

The Gambian High Commission in London said it was still investigating the circumstances of the coup. Sir Dawda himself was not in London and has so far made no comment. He has been leader of the country since 1962.

Banjul was reported quiet yesterday.

Sir Dawda Jawara and his wife, at the wedding of Prince Charles and Lady Diana Spencer in St Paul's yesterday.

Iran military purge threatened

BY OUR FOREIGN STAFF

A PURGE of the Iranian military services has been threatened and may already be under way after the flight of ex-President Abolhassan Bani-Sadr to France.

The Iranian Air Force has been accused of complicity in his escape. An air force Boeing 7075 was hijacked for the escape.

Col Behzad Moessi, who was responsible for the operation, had flown the Shah of Iran to Egypt when he went into exile in January 1979, but was later rehabilitated through Mr Bani-Sadr's efforts.

Mr Bani-Sadr, who acted as Commander-in-Chief before he was ousted from power on June 21, was particularly popular with the Air Force to which he devoted much of his time

Hojatoleslam Ali Akbar Hashemit-Rafsanjani, Speaker of the Majlis (Parliament) and one of the leaders closest to Ayatollah Ruhollah Khomeini, Iran's revolutionary leader, said yesterday that measures were being taken to purify the Air Force with a view to making the rest of the Armed Forces "clean and healthy."

Israel 'not to retaliate' for bus attack

By Our Foreign Staff

NO IMMEDIATE Israeli retaliation against the Palestine Liberation Organisation is expected after the attack on a bus, near Jerusalem, yesterday. Four people were injured in the attack.

The U.S. last week *succeeded in obtaining the agreement of* Mr Menahem Begin, Prime Minister of Israel, to halt military action *against the Palestinians* in Lebanon.

The pressure from Washington has evidently been strong enough to make the Israeli cabinet resist passionate demands from the Israeli public for vengeance.

***One* of the Israelis injured in the bus attack was a pregnant woman who was shot through the stomach and lost her child. Terrorists opened rapid single-fire shots at the vehicle as it crawled painfully uphill to a kibbutz *settlement* in the Abu Ghosh area.**

The PLO claimed responsibility for the attack.

Its newspaper, the Palestinian Revolution, which is published in Beirut, said yesterday: "After careful observation of the enemy's military targets, our commandos working inside the occupied territories ambushed an enemy bus and Kibbutz Maaleh Hahamisha."

After lengthy deliberations, a Government official said the attack did not constitute a reason for Israel to break the ceasefire agreed last Friday.

Another reason for restraint is Mr Begin's wish to preserve the illusion that the deal was not in any way a deal with the PLO but a pact negotiated by Mr Philip Habib, the U.S. special envoy, with the Lebanese Government.

The incident left Israeli leaders in something of a quandary. In the past, the Israeli Air Force has been mobilised to hit Palestinian positions in the Lebanon in response to such guerrilla operations.

The considered, official attitude did not please many politicians. A typical reaction came from Mr Eliahu Speiser, a Knesset member of the opposition Labour Party who declared that the ambush was a clear breach of the ceasefire and should be met by retaliation.

"We cannot let the blood of Israelis be spilt to appease the U.S.," he said.

Indonesia enjoys oil and gas boom

BY RICHARD COWPER IN JAKARTA

A BOOM in Indonesia's oil and gas industry over the past 12 months has strengthened Indonesia's position as the largest oil and gas exporting nation east of the Gulf. A major expansion of the country's liquefied natural gas (LNG) industry is now under way and oil production has started to climb again after a three year decline, raising hopes of increased oil and gas exports.

Prospects are marred only by uncertainty over the world market for crude oil and an accelerating growth in domestic oil consumption.

Despite th eoil glut and falling prices elsewhere, Indonesia has so far this year been able to sell all of its oil without resorting to any serious price cutting but it has had to reduce premiums on its higher grade oil to less than $1 a barrel.

Japan is Indonesia's main export market and appears keen for political and economic reasons, to maintain the fullest access to its nearest major source of oil and gas.

More worrying is the 12 per cent annual growth in Indonesia's domestic oil consumption.

Indonesian oil output fell by just under 1 per cent last year to 1.58m barrels a day (b/d) while exports dropped around 7 per cent to just over 1m b/d. With oil companies spending record amounts on exploration and development ($2.1bn last year) output is now beginning to rise again. Barring a significant worsening of the glut in the world oil market, many in the industry believe that oil exports could start edging up again later this year. But any prospects for more than a very limited annual increase must be slim while domestic consumption goes on rising at its present rate.

The same is not true for natural gas. Last year, Indonesia's production surpassed 1 trillion (million million) cu ft for the first time—more than treble the 1976 figure of just over 300bn cu ft. Around 40 per cent of 1980's production went into LNG exports—all of them to Japan—which increased dramatically by 30 per cent over 1979 to enable Indonesia to overtake Algeria as the world's largest exporter of LNG.

Plant expansions now underway or at the negotiating stage should enable Indonesia to double its current LNG output by 1985. Until 1983, though, production is likely to remain at present levels.

Gross foreign exchange earnings from oil and gas in 1980/81 rose some 52 per cent to $16.4bn—the Indonesian Government has moved swiftly ahead with a multi-billion dollar programme to expand its refinery and LNG industries and to lay the basis for a new petrochemicals industry. It has awarded contracts or embarked on serious negotiations in the last 12 months which should lead to the completion of 10 major projects costing around $8bn by 1986.

Earlier this year, Indonesia's state-owned oil company, Pertamina, awarded contracts to foreign companies for the expansion of two existing oil refineries and the construction of a new hydrocracker. At a total cost of around $3bn, these three plants will more than double Indonesia's existing refinery capacity of 400,000 b/d making the country largely self-sufficient in refining when they are completed in 1983-84.

Some serious questions have ben raised about the economic viability of the expansion. With so much spare refining capacity on the world market, it is argued that it might be cheaper for Indonesia to refine its oil abroad. Pertamina officials, however, say that not only is domestic refining cheaper but it has the added attraction of providing security of supplies.

No-one appears to doubt the wisdom of Pertamina's decision to expand the country's two existing LNG facilities.

Pertamina has this year awarded construction contracts worth a total of approximately $1.8bn, the first for an expansion of the LNG plant at Bontang in East Kalimantan and the second for a similar expansion of the country's other LNG plant at Arun in North Sumatra.

These expansions are due to be completed by 1983 and when producing at full capacity should boost Indonesia's existing LNG output by well over 70 per cent at current prices. New sales agreements—Pertamina signed 20-year contracts with two groups of Japanese buyers earlier this year—should ensure Indonesia gross foreign exchange earnings of perhaps $40bn.

INDONESIA'S biggest oil company, P. T. Caltex Pacific Indonesia (CPI), is to spend an estimated $1.8bn on a programme to boost oil output from the giant Duri oilfield in Sumatra's Riau province.

The biggest steamflood-enhanced oil recovery programme in the world is planned to boost the field's current output of around 40,000 b/d to a peak of 300,000 b/d, or nearly 20 per cent of Indonesia's total current production of 1.57m b/d.

U.S. amnesty plan for illegal aliens

BY DAVID BUCHAN IN WASHINGTON

PRESIDENT REAGAN yesterday unveiled a long-awaited immigration policy which would grant amnesty and eventually citizenship to several million illegal aliens now in the U.S., but which would crack down on future attempts by people to enter or work in the country illegally.

Announcing the first major overhaul of immigration law since the mid-1960s, Mr Reagan said his new policy was designed to "be fair to our own citizens, while it opens the door of opportunity for those who seek a new life in America."

The proposed steps included tighter policing of U.S. land and sea borders, higher legal immigration quotas for Canada and Mexico (with a special temporary guest-worker programme for citizens of that country), and attempts to return "undesirable" Haitians and Cubans to their mother countries. The Cuban and Haitian influx pushed immigration to the U.S. to more than a pnow the tisehhmaf ramh

Mr Raegan said he had "carefully considered the views of our Mexican friends," the country omst affected by any change in U.S. immigration law. The administration places its new policy in the context of its emphasis on better relations with its immediate North American and Caribbean Basin neighbours.

The Reagan administration has rejected the idea of creating a national identity card, but it proposes fines for employers who knowingly hire illegal aliens without proof of citizenship from existing documents.

This will almost certainly bring protest from western and southern U.S. ranchers and farmers who have drawn heavily on illegal labour, mainly from Mexico. These interests are a backbone of Mr Reagan's political support.

On the other hand, business interests from other parts of the country, and U.S. trade unions in general, have pushed for a clamp down on illegal aliens, whose status has often been exploited to undermine the legal minimum wage.

Mr William French Smith, the Attorney General, yesterday presented the details of the policy to Congress, declaring that "we have lost control of our borders" and that the country could no longer "countenance ineffective and unenforced laws."

But the policy is bound to stir deep controversy on Capitol Hill. Its announcement has been purposely delayed until after the tax and budget package, now passed, but as a result may not be acted on in Congress until next year.

The omission of a new identity card — which of course would raise libertarian hackles — while proposing a crackdown on employers hiring illegal aliens may be considered a flaw. Senator Alan Simpson, the Republican who chairs the Senate immigration subcommittee, has said he would consider various improvements of worker identification — "anything short of tattoos."

Canadian banks to cut loans on foreign takeovers

BY ROBERT GIBBENS IN MONTREAL

SIX OF Canada's biggest commercial banks yesterday agreed to make substantial reductions in their lending for certain foreign takeovers in response to a request from the Finance Minister.

Mr Allen MacEachen, the Finance Minister, asked the banks to cut their lending after a spate of takeovers by Canadian companies had added to pressure on the Canadian dollar, which recently reached a 48-year low against the U.S. currency.

But the business community reacted sceptically to the move, which excluded takeovers in the energy sector. Although the Canadian dollar firmed slightly on Wednesday it fell back again early yesterday.

The request by the Finance Minister covers an indefinite period but does not apply to commitments already made. Canada has seen a rush of takeovers recently, not only in energy but also in mining, pulp and paper, real estate and the financial services.

It was assumed that the recent takeover by Canadian Pacific Enterprises of the U.S.-owned Canadian International Paper group for C$1.1bn (£500m) would come into these categories.

Mr MacEachen also said the large number of takeovers by Canadian companies of U.S. enterprises was contributing to high interest rates and was reducing the banking system's capacity to lend to other domestic borrowers. He made a similar appeal for restraint to foreign banks.

Several leading economists have warned the Trudeau Government of the effect of takeover financing on the banking system. They have estimated that such borrowing, running into many billions of dollars, accounts for more than one point in the spread between U.S. and Canadian interest rates.

While Canada's trade performance has been surprisingly good this year, the national energy programme encouraging takeovers of foreign-owned companies in Canada has met increasing international and domestic criticism.

Reagan clears way for $2bn synthetic fuel plant

BY PAUL BETTS IN NEW YORK

PRESIDENT Ronald Reagan has cleared the way for the construction of a $2bn (£1.08bn) synthetic fuel plant in Colorado, by approving the release of some $400m in Federal funds for the project sponsored by Union Oil Company of California.

This is the first major commitment by the Reagan Administration to the fledgeling Synfuel industry which has been at the centre of a bitter controversy ever since President Reagan took over at the White House.

The Administration is divided on the key issue of how much Government help should be given to Synfuel projects, with a powerful lobby led by Mr David Stockman, Budget Director, opposed to granting Government financial aid to expensive Synfuel ventures.

An equally influential lobby has been pressing the President to support more actively synthetic fuel ventures which Mr Jimmy Carter, the former President, had sought to encourage by establishing the Synfuel Corporation.

But under the Reagan Administration, the corporation's future has increasingly been in the balance.

The Union Oil Colorado project has now been given the green light, but the Reagan Administration still has to decide whether to support two other important synfuel ventures.

These include a shale oil project sponsored by Exxon and Tosco, another big oil company, and a coal gasification plant in North Dakota which a consortium led by the American Natural Resources Company is planning to build.

Decisions on both these projects are expected to take much longer.

The sponsors of these two projects are requesting substantially higher Federal loan guarantees. In the case of the Exxon-Tosco shale project, more than $1bn of loan guarantees have been asked, while American Natural Resources is seeking $2bn in guarantees for the coal gasification plant.

White House in celebratory mood

BY REGINALD DALE, U.S. EDITOR, IN WASHINGTON

PRESIDENT REAGAN broke out the champagne in the White House on Wednesday night, and it is not hard to see why. Against many expectations, he has reached the end of his first six months almost exactly where he wanted to be.

The two main planks of his economic strategy—his spending and tax cuts—are now firmly in place, on schedule. He has demonstrated his mastery of Congress and public opinion, leaving the Democrats bemused and demoralised.

On the international front, he has attended what was for him a successful summit in Ottawa, emerging with his economic programme unscathed by European criticism and with his image as a leader enhanced.

If there was any hint of a bitter taste in the mouth, it was caused by the continuing uncertainty over the future of Mr William Casey, director of the Central Intelligence Agency. That affair, too, now looks as if it is being resolved the way the White House wanted, with Mr Casey keeping his job.

Wednesday's triumphant House vote on the tax cuts, in which no less than 48 Democrats crossed the floor, shows that Reaganism is still rampant up and down the country and that the Democrats have yet to discover the antidote.

Most of the Democrats who crossed over did so under the sheer weight of pressure from power groups in their constituencies — pressure which swelled after the President's nationwide appeal on Monday night and massive orchestration by the Reagan team.

Some were lured over by more or less specific promises. The President would veto "with pleasure" any Bill that might put a windfall tax on natural gas. He would modify his stand on eliminating minimum social security levels. He would even, it was reported, show greater sympathy for Georgia peanut farmers—too late, alas, for his predecessor Mr Jimmy Carter, who recently sold his peanut warehouse.

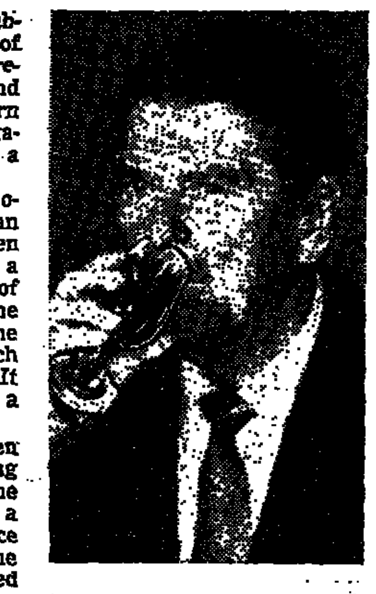
Targeted Democrats who resisted were bombarded with telephone calls from the President himself, from the Secretaries of Agriculture, Energy and the Treasury, but above all from their supporters and financial backers.

Representative Mr Bob Traxler, a Michigan Democrat, refused to budge. Twenty minutes later the deluge of telephone calls started, from a top executive of General Motors, from Dow Chemical, from a vice-president of Ford, finally from a Chrysler lobbyist. A local radio station began broadcasting his telephone number and for two days his lines were jammed, mostly by Reagan supporters. He did not yield, but others did.

As no other President, Mr Reagan has mastered the art of going over the heads of Congressmen to the general public. He is greatly helped, of course, by the financial resources of the Republicans and the sophistication of modern electronics, but it is also a testament to his personal skill as a communicator.

On the tax cuts, the Democrats allowed President Reagan to seize the initiative and then found themselves fighting a rearguard action in defence of their own plan, which became progressively more like the President's as they saw which way the wind was blowing. It was hardly firm ground for a battle.

The President has also been helped by a general feeling around the country that he ought at least to be given a fair crack of the whip. Since his election last November he has impressed and surprised many Americans by his determination to do exactly what he said he was going to do.



President Reagan: toast to tax cut triumph

Highlights of Reagan tax cuts

RATE CUTS: Rates in each bracket of income tax are to be reduced by 25 per cent over 33 months—5 per cent on October 1, 10 per cent on *July 1 1982* and 10 per cent on July 1 1983.

INDEXING: From 1985 three key parts of the tax code will be tied to consumer prices to prevent wage-earners being dragged into higher tax brackets by inflation. Tax brackets, the $1,000 personal exemption and the so-called zero bracket amount (now $2,300 for a single return, $3,400 for a joint return) would be adjusted upwards each year according to the percentage increase in the Consumer Price Index.

DEPRECIATION: From January 1 of this year business will be able to write off plant and equipment costs under a simplified system known as 10-5-3—meaning that most costs could be written off in 10, five or three years.

MAXIMUM TAX: The maximum tax on unearned income is to be cut from 70 per cent ot 50 per cent next year—the same level as the maximum tax on earned income. On capital gains maximum tax is to drop retroactively from 28 per cent to 20 per cent from earlier this month.

MARRIAGE PENALTY: The so-called "marriage penalty" is to be reduced from next year by a provision that 5 per cent of the lower-earning spouse's income would be tax-free, up to a maximum amount of *$1,500*. In 1983 this would rise to 10 per cent and *$3,000*.

ESTATE TAX: By 1986 estate tax will be eliminated for all but the largest 7,000 or so estates each year. Exemptions (currently the first $175,000 of an estate) would rise progressively to *$600,000*. The maximum rate on the largest estate is expected to be cut from 70 per cent to 50 per cent.

TAX-FREE INTEREST: Lending institutions are to be allowed to issue a new kind of savings certificate providing up to *$1,000* a year in tax-exempt interest to a single taxpayer and $2,000 on a joint return. The certificates will be available for 15 months from October 1 this year. After that, taxpayers will be allowed to exclude up to 15 per cent of interest income, up to a maximum of $450 for a single taxpaye rand $900 on a joint return.

Falling copper prices pose threat to Chilean economy

BY MARY HELEN SPOONER IN SANTIAGO

CHILE's battered economy is threatened with recession because of low world prices for its principal export, copper. One of the first victims of the economic downturn has been one of the country's largest food conglomerates—the Vino del Mar Sugar Refining Company, which has been declared bankrupt.

Government officials are so alarmed at the impact of the sluggish copper market that they are considering joining Peru, another copper exporter, in pressing for the establishment of a price stabilisation accord at this year's meeting of the Intergovernmental Committee on Copper Exporting Countries.

World copper prices have dropped by almost 20 cents this year from last year's average of 99.17 cents a pound. Export earnings from the metal were 27 per cent lower during the first five months of this year than in the same period in 1980. Molybdenum, a copper mining by-product, which is Chile's second largest export has also been hit. Sales of Chilean molybdenum abroad have so far brought in $91.6m (£49.4m) this year, compared with same period last year.

The recent financial collapse of the Vina del Mar Sugar Refining Company (CRAV) has resulted in probable losses to hundreds of sugar beet farmers in southern Chile, the bankruptcy of an affiliate insurance company and losses to 18 creditor banks of $100m. Even the most optimistic economists admit the "Caso CRAV" as it is known, has hurt Chile's access to foreign bank loans and investors.

The inflow of foreign credits declined during the CRAV crisis, from $229m in April to $157.6m last month. At the same time, the country's stock of foreign reserves also decreased, from $4.74bn at the end of 1980 to little more than $3bn. The CRAV case and decline in foreign export earnings has made an unmistakable dent in the domestic capital market.

Meanwhile, Chile's trade deficit has widened alarmingly. Last year's deficit of $1.24bn was roughly three times larger than in 1979. This year's deficit looks likely to show a similar jump. During the first five months of 1981, Chile's trade deficit, according to Central Bank figures, was $1.14bn, approaching the entire trade deficit for last year. The regime's liberal tariff policy, which places a uniform 10 per cent duty on most imported goods, has been blamed in part for this growing gap.

The World Bank issued a glowing report 18 months ago on Chile's creditworthiness, following the successful application of an austerity plan and careful adherence to laisser faire economic polices. Chile's foreign debt last year jumped by 32.7 per cent, to slightly more than $11bn—one of the highest per capita external debts in the world.

This will be Chile's third economic recession since General Augusto Pinochet's military Government came to power in 1973. The first, in 1975, following the first oil price shock was harsh and prolonged. The second — last year — was mild and brief. Local economists' estimates of just how long or rough the new recession will be vary according to their attitudes to the Pinochet Regime's free market economic policies.

At a time of increased housing demand, a Government set goal of 900,000 new housing units by the end of the decade, and an available and relatively docile labour pool, Chilean builders have found themselves faced with a tight and expensive loan market. At least two banks have suspended all credits to the Chilean housing industry, while others have raised their interest rates from approximately 12 per cent to 16 or 18 per cent annually.

The Government has attempted to soften the blow by announcing that its construction of housing for low income families would not be affected by this lack of funds. Some exporters have urged that the Chilean Peso—set two years ago at 39 to the $—should be devalued in order to help Chilean exports.

Sig Sergio De Castro, the Finance Minister, appeared on television and radio last week to deny rumours of an impending devaluation and announce that Chile's monetarist economic policies would not be changed.

If officials do have second thoughts about the effectiveness of monetarist policies in Chile, they have apparently decided that continuity and a show of decisiveness is what is needed at the moment.

Open-cast copper mine at Chuquicamata in the Andes

WORLD TRADE NEWS

FIRST FOUR MONTHS' FIGURES BOOSTED BY GRAIN EXPORTS

U.S.-Soviet trade up 58% in value

BY DAVID SATTER IN MOSCOW

U.S.-SOVIET trade rose 58 per cent in value during the first four months of this year on the strength of an increase in the flow of exports of U.S. grain.

With the Soviet Union expected to import a record 38m tonnes of grain in 1981-82, U.S. figures showed that U.S.-Soviet trade rose to $943m (£496m) in the January to April period compared with only $598m for the same months of 1980.

The increase was accounted for almost entirely by a 62 per cent rise in agricultural exports to the Soviet Union, whose value rose to $780.2m from $482m.

U.S. manufactured goods exports, principally agricultural equipment and spare parts, increased in value slightly to $162m from $115m.

U.S. imports from the Soviet Union, including light fuel oil, ammonia and metals, also increased in value to $180m from $107m and the U.S. surplus in trade with the Soviet Union rose by 56 per cent to $763m from $490m.

The rise in U.S. grain exports to the Soviet Union came about because the grain has been shipped to the Soviet Union at an even rate during the October 1980-September 1981 agricultural year, including the January to April period.

By comparison, almost no U.S. grain was shipped to the Soviet union during the first four months of last year because Russia had already made almost all its minimum allowable purchases when the U.S. embargo was imposed in January 1980.

Western agricultural experts believe that with a continuing drought affecting European Russia, here there has been extensive damage to the grain crop, and West Siberia and Kazakhstan, the Soviet Union faces a crop failure which will necessitate the highest ever imports in 1981-82. In 1980-81, the Soviet Union imported 33.5m tonnes of grain.

The U.S. Department of Agriculture has cut its Soviet grain harvest forecast to 200m tonnes. This compares with a Soviet target for this year of 236m tonnes.

Deadlock in Bandar Khomeini talks

Talks between Japan and Iran on the future development and funding of the Bandar Khomeini petrochemical complex, a multi-billion dollar joint venture, have broken up without agreement, our World Trade Staff writes.

The complex, 85 per cent complete, was suspended after the Iranian Revolution and damaged by the Iraq-Iran war.

The Japanese consortium, led by Mitsui and called Iran Chemical Development, asked Iran at the Tehran talks to meet all development costs while the war lasts. But Iran stated that it is possible to continue construction work and resolve the financing problem within the existing 50-50 joint venture agreement.

Iran sales resume

Toyota, Japan's biggest vehicle manufacturer, has resumed sales to Iran for the first time since the Revolution, our World Trade Staff reports. It will ship 3,710 vehicles, mainly light trucks, by the end of September. Before the revolution, Toyota's annual sales in Iran were about 35,000 vehicles.

Zimbabwe rail loan

Barclays Bank International has arranged a £27.4m loan to National Railways of Zimbabwe to finance contracts for equipment and services being provided by Balfour Beatty, GEC and Hawker Siddeley in connection with a rail electrification programme. The loan is guaranteed by the Export Credit-Guarantee Department.

Anti-dumping move

The European Commission has excluded from anti-dumping duties imposed on U.S. polyester yarn two categories of goods. These are polyester filament yarn used to manufacture woven labels and untwisted yarn used to make surgical sutures. The duties were imposed in December 1980.

Motors probe reopens

The European Commission is re-opening an anti-dumping investigation into the imports of electric motors from Bulgaria, Czechoslovakia, East Germany, Hungary, Poland, Rumania and the Soviet Union.

Tariff rate talks

Talks between the U.S. and Japan on the U.S. tariff rate of 25 per cent on Japanese light trucks finished without any decision. White House officials said an Administration decision on the tariff level is not expected for some time.

Qatar contract off

Idemitsu Kosan, the Japanese oil refining group, has cancelled a contract to buy 150,000 tonnes of liquefied natural gas a year from Qatar, stating that the price at $37.57 a barrel is too high. But Idemitsu is retaining a contract with Saudi Arabia where the price is $33.60.

Americans in talks with Pemex

BY WILLIAM CHISLETT IN MEXICO CITY

THE U.S. has started informal talks with Pemex, the Mexican state oil concern, to buy up to 100,000 b/d for its strategic petroleum reserve.

Officials from the U.S. Department of Energy visited Mexico city earlier in the month but both Mexican and U.S. officials are refusing to comment.

The issue of selling to the U.S. is a sensitive one for Mexico because of national opposition to increasing ties between the two.

The U.S. bought some 30m barrels of Mexican crude in 1978 and 1979, for the strategic reserve, but there have been no purchases since.

Mexico is renegotiating its oil exports with clients in the face of cuts in orders and resistance to a $2 price increase.

The cuts have left Mexico with unplaced oil and have forced Pemex to cut production by some 700,000 b/d to 2m b/d.

Anger at Daimler-Benz plans

BY MARGARET HUGHES IN CAIRO

DAIMLER-BENZ's planned entry into the Egyptian truck market has called into question the investment plans of both local and international manufacturers. The German group, the largest heavy truck manufacturer in the world, is to set up an assembly plant in a joint venture with local interests.

Approval of the Daimler-Benz project has particularly angered El Nasr Automotive Manufacturing (Nasco), the State owned motor group, at present the only producer of big trucks in Egypt.

Some time ago it reached a joint venture agreement for truck assembly with IVECO, the holding company for Fiat Trucks, Magirus-Deutz, Lancia and UNIC of France which has been awaiting government approval.

Under the joint venture, Nasco had been planning to switch its trucks production from medium to heavy units. Its plans were based on a local demand of between 2,000 and 3,000 trucks a year which, it argued, would support only one local producer.

The Mercedes go-ahead would appear to scupper both its plans and those of General Motors and Ford, which have also been negotiating trucks assembly in Egypt, particularly as Mercedes is coming in at both ends of the market.

The total trucks market is estimated at about 24,000 units worth over $400m but with considerable scope for expansion, particularly in pick-ups.

Nasco produces about 2,300 trucks a year and about 500 buses. It is the sole producer of big trucks, buses and tractors and for the moment passenger cars.

Later this year Volkswagen is due to start local assembly soon to be followed by Peugeot with assembly of estate cars. Meanwhile Nasco awaits government aproval for the upgrading of its licensing agreement with Fiat.

UK brewers 'fail to exploit U.S.'

BY GARETH GRIFFITHS

EUROPEAN brewers, particularly the British, are failing to take advantage of the growth in the imported beer market in the U.S. and companies are not putting enough effort into marketing.

These are the conclusions of a report on the imported beer market in the U.S., published yesterday by the Acumen Marketing group in London and FIND SVP in New York.

American beer importers find that there is little top-level attention paid to their market by European brewers in contrast to an enthusiastic approach by Canadians, Japanese and Mexicans.

The U.S. is the largest beer market in the world. Although beer consumption per head is below European levels, the total market at 178m bulk barrels in 1980 was well over double that of the second largest market, West Germany.

Acumen said that beer imports in the U.S. last year were 4.6m barrels, a 170 per cent increase since 1975. But the Dutch brand, Heineken, was responsible for half that sale and is the only import which has achieved fully national distribution across the U.S.

The drinks retail trade in the U.S. is said to be generally unaware of most European brands. Distributors of European brands generally complain of the lack of attention their producers pay to American markets.

The survey based on 80 to 90 interviews with drinks retailers in the U.S. found that British companies seemed unaware of the extent of the American market and the high degree of competition.

Most British companies considered they were doing well if they sold a few thousand gallons of beer to the U.S.

Heineken, the main European import, owes most of its success to a keen distributor, Van Munching, the report said. The only other exporter making efforts, the report found, is the French company Boussois Souchon Neuvesel, which markets Kronenbourg. The company has spent $6m on its promotion.

British beer sales on the U.S. accounted for nearly one-fifth of British beer exports in 1979 and were worth nearly £7m.

The Imported Beer Market in the U.S.A.: Acumen Marketing Group, 217-218 Tottenham Court Road, London W1. Price £2,400.

Brazil, Italy in nuclear contracts

BRASILIA — Brazil and Italy have signed contracts providing for the development of fast breeder nuclear reactors in Brazil, the Foreign Ministry said.

The contracts implement earlier treaties for nuclear co-operation between the two countries, signed in 1958 and 1971.

Officials said the programme will include Brazilian imports of $10.9m worth of equipment and circuits for sodium technology equipment, used in fast breeder reactors. The Brazilian Government stressed the programme is designed for peaceful uses of nuclear energy.

Brazil has signed a series of accords with various countries recently for joint development of nuclear energy. It also has a broad 1975 agreement with West Germany for the construction of up to eight nuclear power plants.

The West German agreement includes provisions for construction of nuclear enrichment and reprocessing facilities.

But the agreement has been plagued by cost overruns and implementation problems. Brazil has yet to bring any nuclear power plant on stream.

The nation also has a nuclear accord with Iraq, and was criticised in June by Israel for alleged uranium sales to that country. Brazil denied it sold uranium to Iraq.

The Brazilian Government has refused to sign the international treaty on the non-proliferation of nuclear weapons, and says it reserves the right to develop nuclear explosive devices for peaceful purposes, such as widening shipping channels.

AP

Developing countries' trade 'will increase'

BY DAVID DODWELL

TRADE CONDUCTED exclusively between developing countries—the South-South trade—is likely to account for an increasing proportion of total world trade in the years to come, according to the World Bank.

By 1990, one third of all exports from developing countries will go to other developing countries. At present, 27 per cent of the South's exports go to other countries in the South.

The South's share of total world trade will rise by 2 per cent to 9 per cent. Most of these increased exports are expected to go to the oil exporters and semi-industrial nations in the developing world.

Strongest growth is likely to be in the export of primary products—by 1990, the South will account for 11 per cent of total trade, but South-South trade in manufactures is expected to remain constant at around 5 per cent of world trade.

While the economic expansion of industrialised countries is seen as the catalyst for trade growth, the Bank detects a "feed-back" effect from economic growth in developing countries. Policies which raise developing country growth by 1 per cent are likely to lift growth in OECD countries by between 0.1 and 0.2 per cent.

Underlining the growing interdependence of industrialised countries on the economies of the South, the Bank forecasts that developing countries will generate 25 per cent of the increase in world production of manufactured and primary goods over the coming decade. They will account for about 30 per cent of the anticipated increase in world trade.

They are already an essential market for exports from industrialised countries, providing the north with a surplus on manufactures trade of $34.5bn in 1978, the latest year for which comprehensive figures are available.

The U.S. sells 36 per cent of its exports to developing countries, while Japan sells 46 per cent and the EEC 38 per cent.

The Bank notes, however, that low-income developing countries have failed totally to participate in either the growing South-South trade, or the increased trade with the industrialised West.

Measuring the increased purchasing power derived from exports over the past decade, the Bank calculates that developing countries as a group enhanced their purchasing power by $226bn. But of this sum, oil exporters earned $105bn, middle-income countries like Korea and Brazil earned an extra $118bn, while low income oil importers earned a meagre $3bn extra.

The "glaring conclusion," the Bank says, is that the low income countries are still "on the periphery" of world trade.

India offers Nigeria assistance

NEW DELHI—Dr Charanjit Chanana, India's Industry Minister, yesterday offered assistance to Nigeria in the development of small-scale industries and industrial estates.

Dr Chanana made the offer during a meeting in New Delhi with Mrs Adenike Ebun Oyagbola, the Nigerian Minister for National Planning.

The two Ministers discussed the scope of enlarging industrial and economic co-operation between the two.

Mrs Oyagbola is in New Delhi as head of a Nigerian delegation attending the first meeting of the Indo-Nigerian Joint Commission which opened on Wednesday.

Both sides agreed to pursue the possibility of expanding co-operation between India and Nigeria in the fields of basic chemicals, drugs and pharmaceuticals, oil refining and petro-chemicals and engineering.

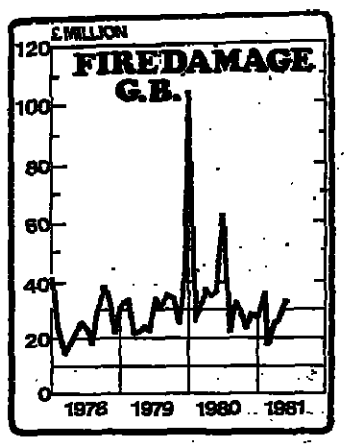
Reuter

UK NEWS

Two major fires push June costs to £33.7m

By Eric Short

Fire damage figures for June rose by more than £7m to £33.7m, mostly because of a major fire at British Aluminium's main rolling mill in Falkirk, Scotland, and another at the Nuneaton warehouse of AB Packing, each of which cost over £3m.



According to the British Insurance Association fire costs in June were the second highest monthly total this year. They brought to an end the generally declining trend in such costs over the past 10 months.

Last month, there were five blazes where damage was at least £1m, compared with an average of two a month for the previous five months.

Nevertheless, last month's figure was still £2m below the costs for June last year.

Costs for the first half of this year, at £168.4m, are more than £100m lower than for the first half of 1980—a year when overall fire damage eventually reached a record level of £469.3m.

MPs call for greater competiti to reduce European air fares

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

A MORE DETERMINED approach towards competition to lower European air fares is needed, a Commons Committee argued in a strongly-worded report published yesterday.

The committee criticised the EEC for its tardiness in making European governments and airlines adhere to the Treaty of Rome and said Britain's Civil Aviation Authority should adopt "a much stronger belief in the virtues of fair competition."

"We believe that only by boldly setting out to capture new markets can the success of the civil aviation industry as a whole, if not of all the individual airlines now within it, be guaranteed, to the advantage of the consumer," the Commons Committee on Industry and Trade said.

"We doubt if tinkering with the problem will greatly help either the industry or the consumer. We consider that a substantial measure of deregulation would be beneficial." Greater competition "cannot come a moment too soon."

The committee said economy fares in Europe are too high, and that greater competition would be beneficial to the consumer "and could result in fares being lower in real terms than they now are."

"There ought, in our view, to be a concerted effort in the Community countries to achieve agreement on basic charges for landing and navigation.

"These efforts ought not, however, to divert attention from the need for airlines to increase their efficiency, and for urgent action to be taken on liberalisation of air transport generally."

The committee also highlighted the complexities of the current fares structure, which it said ought to be simplified.

"We do not object to the existence of a wide range of fares, but are convinced that the public should be fully informed of the differing fares and what services they will receive for their money.

"Our aim is to ensure that reasonably priced tickets are readily available to the general public without the need to resort to subterfuges to obtain tickets at discounted prices, which may well have be cured in questionable 'Bucket Shops' are a s that all is not well w present price-fixing ments. They would, view, disappear in a tr petitive and open mark

The committee sai while collecting info airlines and others arg "more competition carriers throughout E desirable. We strongly that view.

"Liberalisation of rou is the key, and effecti petition will provi stimulus needed to lower fares."

The committee was critical of the EEC anc had failed in its air t duty. "Whatever excus be offered for the delay posing action, the net ef been a conspiracy agai consumer and the frustr the principles of the Tre Rome).

House of Commons: I and Trade Committee: pean Air Fares; Co Paper 431, SO, £1.90.

£13m Bowater Containers investmen

BY MAURICE SAMUELSON

BOWATER CONTAINERS, Britain's second biggest corrugated case maker, is to invest £13m over the next five years to maintain its share of what it believes will continue to be a shrinking market.

Most of the money will be spent by the end of next year. It includes £7m on a plant at Hinckley, Leicestershire to make heavy duty corrugated cases which will be completed next year and will eventually provide about 110 jobs.

Bowater Containers contributes about half of the £83m turnover of the Bowater Corporation's packaging group, equal to nearly a tenth of the corporation's turnover in the UK in 1980. The British market for corrugated cases is about £600m, of which Bowater Containers has nearly 12 per cent.

Mr Phillip Williams, Bowater Containers' chairman, said yesterday that he expected a resurgence of the use of plastic shrink and stretch wrap materials over the next four years. This would increase the pressure on the corrugated industry, which was operating about 25 to 30 per cent b capacity, he added.

However, his comp expected growing demand heavy duty corrugated case replace wooden and s packaging used by the engin ing and bulk chemicals inc tries.

Bowater Containers' inv ment is part of a strategy make the company leaner fitter. In the past two yea it has closed two plants reduced the size of others, c ing the workforce from 3,900 2,800.

City analysts pessimistic about outlook for inflation

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

CITY ANALYSTS are more pessimistic about the outlook for inflation over the next 18 months than academic, official and business economists.

The accompanying table shows the forecasts of a number of leading stockbrokers excluded from the table in yesterday's Financial Times showing a comparison of forecasts.

The 12-month rate of retail price inflation is on average expected to be 11.4 per cent at the end of this year and 11.3 per cent by the end of 1982, according to eight leading City stockbrokers (including some not represented in today's table).

The projection for the end of this year is little different from the average of 22 forecasters, but the projection for late 1982 compares with a rise of 9.6 per cent expected by the forecasters generally.

The explanation for the gap is partly that the City forecasts are more recent than the other projections and take into account the sharp decline in sterling against the dollar, and its impact on raw material costs.

In addition, the City economists are less optimistic about the size of pay rises this autumn. Nonetheless few economists expect a significant re-acceleration in inflation next year.

COMPARISON OF FORECASTS

		Grieveson Grant	James Capel	Laing & Cruickshank	Hoare Govett	Capel Cure Myers
GDP—percent change	1981	−2.2	−0.7	−2.6	+0.9	−1.5
	1982	+2.2	+0.5	+1.9	+2.3	+1.8
Retail price rise, year to 4th quarter	1981	11.0	12.4	11.9	9.6	12.0
	1982	9.7	14.0	12.0	9.8	9.5
Current account £bn	1981	+4.6	+3.9	+4.4	+4.0	+3.2
	1982	+0.5	+0.3	−0.2	+1.6	+1.8
Public-sector borrowing £bn	1981-82	12.25	12.0	12.5	11.03	12.0

Otherwise, the main feature is that the City economists are less optimistic than other analysts about the size of the possible overrun in publ sector borrowing in the curre financial year above th Treasury's estimate of £10.5b

Curtain up on the armed services

The Royals

Royal Tournament

by Hazel Duffy

Col Dan Reade . . . has seen attendances rise by more than 10,000. *Glyn Genin*

"WE MUST not make the Royal Tournament like another circus," says Col Iain Ferguson, formerly of the Scots Guards, and director-elect of the Tournament. "We must remember it is still a show for the services."

It would be remiss to question Colonel Ferguson's view of the annual event which will become his responsibility when this year's tournament closes tomorrow, but the distinctive feel of the circus is just the impression that is conveyed to the first time visitor, with the horses, sawdust, acrobatics, military music, and hundreds of performers parading around the arena of London's Earls Court.

The event is both a unique entertainment and a subtle recruitment display for the armed forces. It dates back to the Victorian era (1880) when patriotic fervour was at its height, but incredibly still manages to pull in the crowds.

Some of the most popular events have changed little over the years, including the famous field gun competition between Royal Navy teams, first introduced in 1907.

Two crews of 18 men haul heavy lumps of field gun equipment over "enemy" and "home" walls, dismantle and assemble the 12 pounders, and lug them around the arena in competition that generates a fever pitch of excitment in the audience.

The cheering of children and adults alike, most of whom have no connections with the Navy, for Portsmouth or Devonport, is similar to the lifelong loyalties forged by the Oxford and Cambridge boat race.

The Royal Navy, the most poignant victim of the latest defence cuts, ironically has its turn as the premier service at this year's tournament.

The naval theme harks back to the happier days of the Battle of Trafalgar—when there was no doubt about the service's role in the defence of the realm—and Lord Nelson dies twice a day in the grand finale to appropriately sad music.

The realities of present day defence budgets, however, cannot be cast to the winds even for the tournament. It costs £850,000 to stage, plus unquantifiable costs which are absorbed by the three services.

Lieut. Michael Butler, leader of the Devonport field gun team, says it would cost an outside contractor £58,000 to stage just this one event.

In fact, most of the costs are met by the navy. The three teams this year are drawn from Portsmouth, Devonport, and the Fleet Air Arm. Construction and maintenance of the field guns is carried out in naval dockyards because, as Lieut. Butler points out: "Not too many people have field guns these days."

Commercial acumen is not a quality that often goes hand in hand with military experience, but as the tournament is expected not only to cover its costs but to make a donation to service charities, somebody has to think about things like returns and paying the rent. That person is Col Dan Reade, who has directed the tournament since 1974. Faced with falling attendances when he took over, he brought in an old regimental acquaintance as his professional producer, and appointed marketing and public relations experts.

Attendances rose from 200,000 to a record 330,000 last year, and the number of commercial sponsors has increased to the point where, this year, for the first time, every event has a company name behind it.

The link between some of the sponsors and events is not too difficult to spot: Plymouth Gin, for instance, backs the naval field gun competition, and Taylor Woodrow, whose logo is four men pulling a rope, sponsors the tug-of-war.

Others are less obvious: what is a soft drinks company like Britvic doing sponsoring a reconstruction of the gun drill on HMS Victory, the most ear-shattering event in a two-and-a-quarter hour entertainment notable for its noise level?

The sponsors pay £6,000 for the privilege of having their name before the audience, for which they also get a free hospitality box for one evening.

Companies can also buy the box alone for £850, for which they get a three-course dinner for a maximum of 12. Col Reade hastens to add that "four bottles of champagne are thrown in as well."

He says the boxes are good for entertaining overseas clients. An added, unpublicised, bonus is that they are close to the Royal Box, which is generously patronised by members of the Royal Family.

Sponsorship, however, has probably gone as far as it can. It brings in less than 10 per cent of the total takings, to which can be added a rather frugal sum from the BBC for the 45 minutes' televised performance on one evening. The bulk of the takings, therefore, depend on attendances. Schoolchildren are an abovious source to tap.

Market research shows the bulk of the audience is British, despite attempts to market the event overseas. It seems to be the sort of entertainment which is peculiarly British.

During the tournament's short stay, Earls Court bristles with a militariness that is unfamiliar to most children and young adults.

There is hardly a member of the governing committee who does not sport a high rank, and even the accommodation on the upper floor which is rigged up for the participants is suitably segregated on the basis of rank.

Last year, the charities shared a cheque for £40,000 which represented half the net profit. Under an agreement with the management of Earls Court, no rental is paid but the exhibition company takes half the profit.

Col Reade, who retires on the last day of the tournament, is adamant that it must continue "to be run by serving officers, with the major part of the executive staff being ex-officers."

His successor is equally determined to see that this is one part of the British way of life that will survive.

Next Wednesday: Royal Arsenal Co-operative Society.

هكذا من الأصل

Universities have power of dismissal says report

By Michael Dixon, Education Correspondent

OXFORD, CAMBRIDGE and 26 other universities have the power to dismiss academic staff after reasonable notice, according to legal advice given to the University Grants Committee.

The 26 universities are Aberdeen, Belfast, Birmingham, Bristol, City (London), Dundee, East Anglia, Edinburgh, Glasgow, Heriot-Watt (Edinburgh), Leeds, Leicester, Liverpool, Loughborough, Manchester, St Andrews (Fife), Salford, Sheffield, Southampton, Stirling, Strathclyde, Surrey, Ulster, Wales (although only four of its seven constituent institutes), Warwick and York.

The Open University is thought to also have this power.

However, the committee feels it would be wrong for dons at the 29 institutions to be made redundant on worse terms than their counterparts elsewhere.

It is trying to persuade the Government to provide extra funds to enable all the 2,800 academics liable to be made redundant over the next three years to receive generous compensation.

Dr Edward Parkes, chairman of the committee, warned in evidence to the Commons select committee on education, published yesterday, that unless the extra money was provided some universities could be bankrupted by compensating dismissed staff.

He also told MPs that the UGC had considered resigning rather than co-operate with the cuts demanded by the Government in universities' state grants.

He had warned Mr Mark Carlisle, Secretary for Education and Science, that the cuts would do serious short-term damage to the base of the country's research effort and to university teaching.

But the UGC decided to continue because it alone had enough detailed information to make the best use of the reduced funds.

The main aim had been to preserve academic excellence in teaching and research throughout the full range of university subjects, Dr Parkes explained. He said that when deciding how to apportion the cuts, his committee had been more concerned with the subjects than [illegible] them.

As stated in the Financial Times yesterday, two main measures of excellence were used. One was the GCE Advanced-level grades of students entering various courses. The other was the income for research work in the subjects received by a university from all sources, including industry.

But the final assessment of quality was influenced largely by the subective judgments of 104 people.

These consisted of 19 committee members, of whom 13 were academics, and 85 others—71 of them academics—serving on specialist sub-committees.

Joint television audience figures

By Arthur Sandles

THE BBC and ITV have agreed to go ahead with joint audience research from next week. The two are dropping their weekly top 20 lists with detailed audience figures.

A new organisation, the Broadcasters' Audience Research Board, will publish top 20 lists for individual channels each week but these lists will not be accompanied by any figures.

"Figures are misunderstood," the board said yesterday. There will be a monthly top 10 with audience figures, but this is likely to be dominated by major events, old films, and Coronation Street.

The two sides have not yet worked out a form of qualitative research, which involves discovering how popular programmes have been

Naval cuts 'threaten thousands of shipbuilding jobs'

BY ANDREW FISHER, SHIPPING CORRESPONDENT

BRITISH SHIPBUILDERS' losses fell sharply last year, but the organisation warned yesterday that planned cuts in naval spending could put several thousand jobs at risk.

Mr. Robert Atkinson, the chairman, said that talks would take place soon with the Ministry of Defence on the Government's plan to slow down sending on some projects.

But he did not think that British Shipbuilders could make any proposals of its own, since firm contracts had been signed for the defence work being carried out. "We shall tell them there is nothing in our kitty," he said. Currently, the group has some £2bn of warship orders against £570m of merchant-ship work.

Trading losses of the nationalised group fell by 62 per cent from £110m to £41.4m in the financial year to last March, with turnover up from £813m to £899m.

After including over £44m of Intervention Fund money from the state—which makes up the difference between depressed prices and building costs—the group ended with a loss of £85.5m, within the £90m limit first set by the Government.

This limit was later raised to £110m after British Shipbuilders said the initial target appeared beyond its reach. For this year, the limit has been set at £25m (not including some £50m of intervention fund money).

Last year's actual pre-tax loss was £47.2m against £163m. This included redundancy and other restructuring costs of £10.2m (against £42.6m).

"Our target is still viability," said Mr Atkinson. "That's what we're aiming for. That's where we're going."

Productivity, he added, rose by 15 per cent in 1980-81, with a further 7 per cent improvement in sight for this year. A number of major orders were now at an advanced stage of negotiation, of which more than 80 per cent was for export.

In recent weeks the group has won major merchant and offshore orders from Hong Kong, Greece and Canada. Most large merchant yards now have work into 1983.

"We have good prospects of meeting the more stringent financial targets for this year," said Mr Atkinson. He said the improved financial performance meant that the group merited continued support from the Government.

On the naval spending reductions, he said it was hard to get information from the Government following last month's defence review. "Everything they give us is tentative. We are pressing hard for facts."

Since nationalisation in 1977, about 20,000 jobs had gone at British Shipbuilders. The numbers on merchant ship work had fallen from 38,800 to around 18,000.

In the annual report Mr Atkinson warned: "In consequence of the Government's revised defence policy, there is the possibility of a large reduction of employment in warshipbuilding over the next few years and restructuring may be necessary."

He said yesterday that the suddenness of the defence review left British Shipbuilders no time to replace the UK naval work with export orders. Nearly 20,000 of its workforce are on the warship side, the only division to make a trading profit.

He did, however, hold out some hope of an improvement in the long-depressed level of world merchant vessel prices: "I think we have reached the bottom of the trough."

Expansion of aid for forestry welcomed

By Richard Mooney

BIGGER grants for forest planting and a simplified administration system, announced jointly by the Forestry Commission and the Government this week, were welcomed yesterday by the forestry industry, with some reservations.

The scheme, which comes into effect on October 1, will get rid of the annual management grants, but will offer much larger planting grants. The net rise is estimated at about 60 per cent.

The old grant system will continue for existing participants with 40 per cent bigger grants. But a change of ownership will require a switch to the new scheme.

The Timber Growers' Organisation said the changes were in line with the stated aim of "encouraging private forestry to undertake a greater share of future plantings."

But it regretted that they discriminated against large-scale plantings (more than 10 hectares) and broad-leaved varieties (as against conifers).

The Economic Forestry Group, a leading private forestry management company, thought the scheme was "basically helpful" but it shared the TGO's concern over discrimination against large projects.

It also thought the prospect of losing management grants would discourage changes of ownership, thereby hindering investment development.

The simpler system would cut administration costs by about a quarter or £250,000 a year, the Forestry Commission said.

Occidental demands tax changes for development of N. Sea find

BY RAY DAFTER, ENERGY EDITOR

OCCIDENTAL PETROLEUM, the U.S.-based oil group, has discovered a new oilfield in the North Sea which it wants to develop at a cost of about $700m (£388m).

However, the group told the Government yesterday that it would not go ahead with the project unless the UK offshore oil tax system was changed. Occidental has already postponed the $500m development of a nearby field because of a tax wrangle.

Dr Armand Hammer, chairman and chief executive of Occidental, said in Scotland yesterday that if the newly-found reserves were not exploited the UK would lose over $1bn in tax revenues and British manufacturing industry would lose about $500m in orders.

Occidental and its partners—Getty, Allied Chemicals and Thomson—found the reservoir, containing about 70m barrels of recoverable reserves, in February, immediately south-east of their Claymore field, which is 110 miles north-east of Aberdeen.

The announcement of the find was made by the 83-year-old oil executive during a visit to the Occidental oil terminal in the Orkney Islands by Mr Hamish Gray, Minister of State for Energy.

The disclosures followed the pattern set in September last year when, during a similar visit by Prime Minister Mrs Margaret Thatcher, Dr Hammer announced that Occidental would be investing $1.5bn in three projects in the UK. Yesterday he outlined the progress with the schemes:

- ● North Claymore platform development ($500m)—initially postponed because of tax changes. The project has since been re-evaluated. Occidental now believes it can extract most of the oil by means of underwater wells connected to the main Claymore platform.
- ● A specialised oil refinery—to process residual fuel oil—on Canvey Island in the Thames Estuary ($500m). Occidental says its planning has been delayed because of a new safety inquiry into British Gas Corporation's methane terminal.
- ● A polyethylene plant at Peterhead, Scotland ($500m). Dr Hammer said that on Friday Occidental paid £50,000 to the Grampion Regional Council for an option to lease land for the plant.

SE promises full report on Halliday

BY CHRISTINE MOIR

MR NICHOLAS GOODISON, chairman of the Stock Exchange, yesterday promised a full report within six months on the exchange's investigation into suspended stockbrokers, Halliday Simpson.

The investigation could continue after that date, he said, but by then enough would be known to publish a report. He said the exchange intended to let nothing stand in the way of publication.

Mr Goodison said the investigation continued to widen and would encompass dealings involving Halliday Simpson over a significant period of time. He stressed that no fresh names had come to light.

The merchant bank Arbuthnot Latham suspended Sir Trevor Dawson and Mr Michael Barrett, who headed its investment management subsidiary, shortly after the Stock Exchange suspended the firm of Halliday Simpson. Mr Goodison had informed Arbuthnot of a possible connection.

Yesterday Arbuthnot confirmed that it had called in its auditors, Peat Marwick Mitchell, to do an internal investigation. This was not yet complete but Peat Marwick told Arbuthnot that "they have not found anything to suggest that any other member of the organisation" might be involved.

Mr Goodison warned against connecting the Halliday Simpson inquiry with the "put through" case begun in 1978, which is now in the hands of the City of London Fraud Squad. That investigation revolved round a number of matched—"put through"—deals which might have led to the creation of false markets.

The Halliday Simpson investigation evolved from Chieftain Unit Trust group's request for the Stock Exchange to look at dealings which had come to light during the "put through" investigation.

He admitted that the Stock Exchange might have been slow to identify the problems at Halliday Simpson. But he defended its record by comparison with the regulation of dealers outside the exchange which hold licences from the Department of Trade.

City merchant bank to change its status

BY WILLIAM HALL, BANKING CORRESPONDENT

BANK JULIUS BAER, one of Switzerland's leading private banks, plans to convert its London merchant bank into a branch of the parent.

Hans J. Baer, chairman of Bank Julius Baer International, the London merchant bank, said the decision resulted from the Bank of England's stricter capital minimum requirements for recognised banks laid down in the 1979 Banking Act.

"We would have had to increase our sterling capital at least threefold," said Herr Baer.

According to the Act a recognised bank should have net assets of at least £5m at the time of recognition. However, Bank Julius Baer International (which is a recognised bank) appears to have slipped through a loophole initially, since it had only shareholders' funds and reserves of £2.86m at March 1981. In addition, it had a £2.6m subordinated loan which helped support total assets of £93.65m.

Mr D. C. Bardsley, the chief executive and deputy chairman of the London bank, will be chairman of a new London advisory board, supported by the present non-executive board members, Mr Brian Bennett, Sir Frank Figgures and Mr Kenneth Whitaker. Mr Fernand Koch has been seconded from Zurich and will chair the management committee.

Sales rise at Sotheby's and Christie's

BY PAMELA JUDGE

SOTHEBY'S and Christie's, the two major London salerooms, yesterday reported sales increases of 34 per cent and 16 per cent respectively for 1980-1981. Of the other two leading houses Phillips had a decrease of 1.1 per cent and Bonhams was not releasing figures.

Sotheby's sales totalled £317m against £235m. Of the areas in which the company operates Hong Kong showed the greatest growth—170 per cent—and London the least at 10 per cent. Measured by money, Japanese works of art formed the fastest rising collecting area at £5.3m against £2.5m. American and Canadian paintings attracted £20.1m compared with £9.3m and Chinese works of art £23.3m (£11.5m).

Christie's total was £177.4m, up £24m on last year's £153.4m. UK sales, however, showed a fall at £79.4m against £82.6m and the King Street rooms were the main source of the drop at £61.4m after £66.9m last year. Overseas sales (in seven countries) redressed the balance at £177.4m compared with £153.4m.

Turnover at Phillips was £33.3m, a fall of £383,201 on £33.7m in 1979-80. Mr Christopher Weston, chairman, felt that high interest rates and borrowing costs, especially in the U.S., had probably affected dealers' stocking policies.

Royal Bank of Scotland takeover warning

By Mark Meredith, Scottish Correspondent

A SUCCESSFUL takeover bid for the Royal Bank of Scotland would mark the beginning of the end of the indigenous private sector in the Scottish economy, according to the Fraser of Allander Institute in Glasgow.

The institute, part of Strathclyde University and Scotland's main economic forecasting unit, yesterday made public its submission to the Monopolies and Mergers Commission. It urged a rejection of takeover proposals by Standard and Chartered Bank and Hong Kong and Shanghai Banking Corporation, on the ground that they were against the public interest as well as those of the bank's shareholders.

The submission was the most forceful statement yet of Scottish interests opposed to the takeover.

The departure of the Royal Bank would take the Scottish business community very near the point where it could find the gravitational pull of London irresistible.

The centralisation of the British economy in London had meant a dramatic decline in the number of Scottish-based companies over the past 20 years.

A Scottish company which has been taken over or moved its headquarters south often exhibited the "neutered cat syndrome."

A takeover "would have a more damaging effect for the future good of the Scottish economy and thus for the loss of employment in the long run, than would the closure of a shipyard or a car assembly plant."

The submission argued that there were benefits for the UK having Edinburgh as a financial centre. Edinburgh was the second most important financial centre in the EEC when measured by funds under management as well as ownership, estimated at more than £10bn.

The institute's submission, assembled by Professor James McGilvray and Professor David Simpson, was sharply critical of the Royal Bank directors.

Growth of nuclear power faces delay

BY DAVID FISHLOCK, SCIENCE EDITOR

PLANS to accelerate the building of nuclear power stations later in the 1980s could be set back. The Central Electricity Generating Board has found that the life of its big coal-fired stations can probably be stretched from 30 years to 40 years.

The board's investigations — which have involved its operating, design and research divisions — suggest that most, if not all, of its big modern coal-fired stations can be modified to last for 40 years.

The features which will need changing will differ from station to station. Some will be more difficult to modify than others, said Mr Glyn England, the board's chairman.

The successful refurbishment of coal-fired plant could mean that only 15,000 MW of plant has to be replaced this century, compared with as much as 35,000 MW if the coal-fired stations had only a 30-year life.

A White Paper earlier this month, responding to criticism from the Commons select committee on energy, talked of 20,000 MW of new plant by the end of the century, assuming a 40-year life for the existing coal plant and a "modest degree of growth."

Prospects for a start to construction of the Sizewell B pressurised water reactor (PWR) have receded to 1984.

Mr England said yesterday that work on the reference design was proceeding on a timetable which would "make possible the opening of a public inquiry before the end of next year."

He said he would not be able to say how much the board's first PWR would cost until he saw a costed version of the reference design being prepared by the National Nuclear Corporation.

Figures released yesterday for the first of the board's advanced gas-cooled reactors (AGR), at Hinkley B, suggested that the station was "doing extremely well," said Mr England. It was one of the cheapest sources of electricity on the board's system, he said.

Generation costs for 1980-81 worked out at 1.45p per kW, compared with 1.87p per kW for Drax B, the latest of the board's coal-fired stations.

Energy consumption drops

BY MARTIN DICKSON, ENERGY CORRESPONDENT

BRITAIN'S fuel production rose by 2 per cent last year while energy consumption dropped by 7.8 per cent, according to Government figures released yesterday.

The annual digest of energy statistics shows that production rose to the equivalent of 336.7m tonnes of coal, North Sea oil and gas providing about 57 per cent.

However, the recession meant that consumption fell to the equivalent of 328m tonnes of coal. The biggest drop being in oil—12.7 per cent to 71.4m tonnes.

Nevertheless, oil remained marginally the most important source of UK primary energy, providing 37 per cent compared with 36.9 per cent for coal, 21.4 per cent for natural gas, 4.1 per cent for nuclear electricity, and 6.0 per cent for hydro-electric power.

Manufacturing industry, excluding iron and steel, used about 10 per cent less energy than in 1979, while home consumption fell by 4 per cent. In public administration buildings the fall was 6.5 per cent.

The drop in demand is continuing. Figures for March to May show consumption down 5.8 per cent compared with the same period of 1980. Oil use fell 11.6 per cent and coal 4.9 per cent.

On a seasonally adjusted and temperature corrected basis, however, the drop is smaller—4.8 per cent, according to Energy Trends, the Department of Energy's monthly statistical bulletin.

North Sea oil production in this period reached a record 22.4m tonnes, 11.6 per cent higher than in March-May, 1980.

Digest of UK Energy Statistics, 1981; SO; £11.50.

Toucan links holidays

GUINNESS is putting all its worldwide holiday interests under the trade name Toucan, and using the South American bird as a logo for marketing activities.

These include British holiday camps, inland cruise boats in Florida, France and sail vessels in the Caribbean and the Greek islands.

Guinness sells about 300,000 holidays a year in various markets and has been worried about the lack of a uniform image.

"We are now at the stage of development where it has become essential to co-ordinate the marketing and selling of our holiday interests under a single brand name," the company said.

Rates decision delayed

JUDGMENT on a High Court challenge by six London boroughs to the Environment Secretary's decision to cut their rate support grant was reserved yesterday after a 12-day hearing.

The councils—Brent, Camden, Hackney, Hounslow, Tower Hamlets and Waltham Forest—were asking Lord Justice Ackner and Mr Justice Phillips to quash Mr Michael Heseltine's decision on the grounds that he acted outside his powers.

Lord Justice Ackner said the court hoped to deliver its decision early in October.

Clothing manufacturer given cash aid

BY MAURICE SAMUELSON

A NORTHUMBERLAND clothing manufacturer which employs 500 people has been saved from probable liquidation. The company, whose customers include Mothercare, British Home Stores and Tesco, has been given an injection of cash by city and official institutions.

P Shapira, an unlisted manufacturer of children's dresses and ladies nightwear with a turnover of £5m, has received £400,000 invested jointly by Equity Capital for Industry (ECI) and the northern region of the British Technology Group. This is believed to be the two bodies' first joint investment.

The British Technology Group is a merger of the National Enterprise Board and the National Research Development Corporation.

This is the first investment by its northern region board, which regarded P Shapira as well worth saving.

It is not an investment in new technology and the corporation is involved only because of its new link with the board.

Mr John Rishworth, a former director of Marks and Spencer, has been appointed chairman and part-time chief executive of the company in which ECI and the group's northern board will each hold 27 per cent of the votes. The family shareholders, who retain 45 per cent, will have an option to buy back control if trading improves sufficiently.

Mr John Shapira, managing director, said that the business found itself in need of money last year when, because of the recession, "everything went sour" after a period of capital investment. Although it will not become profitable again before next year, the company has a strong order book, he said.

Further support is being provided by the family shareholders, Barclays Bank and Blyth Valley Council, which has offered to buy and lease back one of the company's factories.

Welsh workshops

THE Welsh Development Agency yesterday formally opened a £250,000 block of industrial nursery units in Cardiff near the site of the former East Moors steelworks.

The Discoll Workshops, named afer the Cardiff boxer "Peerless" Jim Driscoll, have 11 units, not much bigger than household garages, specifically tailored for start-up businesses.

It is envisaged that as the businesses become established, they will move into larger premises, freeing the workshops for other fledgling businesses.

Voluntary training schemes 'may not prove robust'

MSC says seven statutory boards should stay. Alan Pike reports

SECTORS of industry where employers believe they can make adequate voluntary training arrangements should be required by the Government to submit firm proposals by October at the latest, the Manpower Services Commission said in a report published yesterday.

The commission, which is responsible for running the employment and training services, concluded after a wide-spread review that statutory industrial training boards must continue in all or part of seven sectors currently covered by them.

These are engineering, construction, ceramics, glass and mineral products, clothing and allied products, hotel and catering, road transport, and rubber and plastics processing.

However, the commission at this stage made no somilar recommendations for the abolition of any statutory boards in other sectors. It admitted to caution and doubt about assuming that voluntary arrangements would be "sufficiently robust" to meet future national training needs.

The commission is determined that future training arrangements, statutory or voluntary, should meet the key requirements of its recently-published New Training Initiative—to reform apprentice training around the achievement of skills, to provide young people with adequate vocational preparation, and to increase the scope for adult training and retraining.

In deciding whether greater reliance on voluntary arrangements in a particular sector might be effective, the commission raised three main questions:

- ● Would the new system have a central strategic body on which employers, union and educational interests were represented?
- ● Would the new arrangements be supported by a majority of companies in an industry?
- ● Would the new arrangements be adequately staffed and funded to meet the most important training objectives?

In comments on the seven sectors where it believes statutory arrangements must continue the report said:

Engineering: There is widespread recognition of the major impact of the Engineering Industry Training Board in improving training standards.

Although a majority of member companies in the Engineering Employers Federation wished to see the board abolished, the EEF had stated frankly that it saw "no possibility of a voluntary body being established to take forward the work presently done by EITB, and no other employers' organisation has put forward proposals for such a body."

The report recommended some changes in the organisation of the board. Unless satisfactory alternative arrangements were made, training in the private sector of shipbuilding and in the foundry industry might be transferred to the engineering board.

Construction: The construction board, the only one to operate a levy from which employers cannot gain exemption, had used its powers in a positive and well-considered way and there was now almost unanimous acceptance in all parts of the industry that a statutory board was necessary.

A voluntary structure would put at risk the gains of the past

Ceramics, glass and mineral products: The commission was satisfied that a statutory board must continue, but it was prepared to examine further the case for voluntary arrangements in some areas covering glass, pottery, and the china and ball clay industries.

Clothing and allied products: No viable proposals had been advanced for voluntary training arrangements in this sector. Employers and unions were fiercely opposed to linking training in the clothing industry awith others like footwear, and ia was therefore proposed that the scope of the present board should continue unchanged.

Hotel and catering: If training developed satisfactorily over the next three or four years "it is possible that the industry will then be ready to take responsibility for its own training arrangements without the need for a statutory framework. But we do not believe that this is a viable option at the present time."

Road transport: The report recomended that serious consideration should be given to dividing this sector into two statutory boards instead of the present single one—one for road haulage and the other for motor vehicle retail and repair.

Some sectors, including passenger transport and rmovals, had been invited to develop proposals for voluntary arrangements.

Rubber and plastics processing: The British Rubber Manufacturers Association has been asked to develop proposals for voluntary arrangements, but the commission's broad view was that a statutory board should continue.

Sectors where the commission reached no firm conclusions about the future of statutory boards included: air transport and travel; carpet production; chemical and allied products; cotton and allied textiles; distribution, food, drink and tobacco; footwear, leather and fur skin; foundry; furniture and timber; iron and steel; knitting, lace and net; synthetic fibres; paper and paper products; petroleum; printing and publishing; shipbuilding; and wool, jute, and flax.

The commission's report also examined training in a wide range of sectors not currently covered by statutory boards. It recommended training organisations for insurance and ports transport, and further review of existing arrangements in finance, freight forwarding, hairdressing and local government in Scotland.

A framework for the future—a sector by sector review of industrial and commercial training. Manpower Services Commission.

Royal Charter sought for Engineering Council

BY ELAINE WILLIAMS

THE QUEEN has been asked to grant a Royal Charter to the new Engineering Council being set up to promote engineering in British industry.

Sir Kenneth Corfield, chairman of Standard Telephones and Cables, has been named as first chairman and the remaining members—up to 24 to be chosen from a list of more than 300 so far proposed—will be announced in the autumn.

It has taken more than 18 months for interested parties—employers, government, academics and engineering institutions—to agree the form the council will take. Discussion began after publication of the report by Sir Monty Finniston's committee of inquiry into the engineering profession. This recommended a much more powerful statutory engineering authority.

The Institution of Mechanical Engineers, one of the largest, said yesterday that the draft charter of the non-statutory Engineering Council reflected the compromise all sides had to make.

Even now details of the funding and administration remain to be finalised. The Government has emphasised that the council must be self-financing—although Mr Michael Marshall, junior Minister at the Department of Industry, said it may be prepared to inject up to £1m to help set it up.

The engineering council will set education standards for engineering and compile a national register of qualified engineers.

Eventually it will be responsible for bestowing the title "Chartered Engineer" on any qualified person, although, at present, this power still remains with the Council of Engineering

The Engineering Employers Federation and the Fellowship of Engineering have both welcomed the Government's announcement and are anxious that the body should begin work as soon as possible.

Chancellor says recession is over

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

SIR GEOFFREY HOWE, Chancellor of the Exchequer, told the Commons yesterday that the latest quarterly trends survey published by the Confederation of British Industry earlier in the day was "consistent with the fact that we are now at the end of the recession."

Despite the jeers of the Opposition he insisted that the survey showed greater optimism about the business situation generally.

"Every relevant indicator in that survey is now positive and in each case improvement has been sustained over the past 12 months," he declared.

As the Chancellor and his team answered questions for the last time before the Commons recess for the summer holiday the Opposition mounted a sustained attack on the Government's economic record over the present parliament.

The Chancellor's bullish line was echoed by **Mr Leon Brittan**, Chief Secretary to the Treasury, who said that the Index of Manufacturing Production, various CBI surveys and the Central Statistical Office's cyclical indicators taken collectively "indicate that the worst of the recession is behind us."

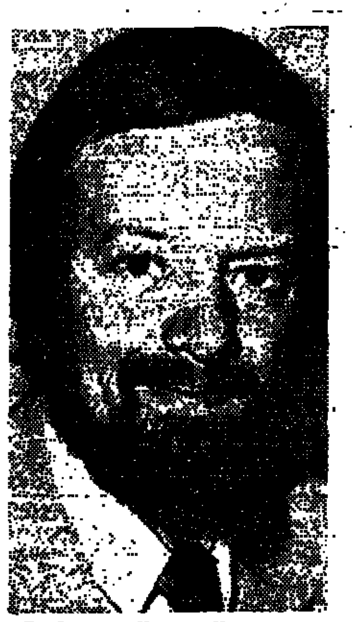
The exchanges spilled over into Prime Minister's Question Time when Mrs Thatcher brushed aside a question from **Mr William Hamilton** (L Fife Central).

He asked whether she would keep Sir Geoffrey in his job for the next 12 months or if Mr Peter Walker, Minister of Agriculture, who has criticised the Government's economic strategy, would be the most likely candidate "for the chop."

Sharply the Prime Minister told him that the Government had already succeeded in getting an air of competitiveness into British industry leading to an increase in productivity and reduced overmanning.

Mr Michael Foot, leader of the Opposition, went into the attack asking which of the Government's achievements gave the Prime Minister most satisfaction.

Howe: "indicators positive"



Cook: "policies disastrous

Was it the 7 per cent fall in output, the record 20 per cent fall in manufacturing production, the record unemployment, the record loss in international competitiveness, the "quite unprecedented" rise in prices or the increases in taxation?

Angrily the Prime Minister retorted: "We had the guts to tackle the problems from which you flinched."

Sir Geoffrey told the House that inflation had been substantially reduced and this was an essential prerequisite to sustainable recovery. There were now indications that productivity was increasing.

The Chancellor maintained that the CBI survey showed greater optimism about the volume of new orders and output and about export prospects, orders and deliveries.

But **Mr Robin Cook**, a Labour economic spokesman, protested that all the indicators in the CBI survey showed a fall since the previous quarter. The only evidence of improvement was that the fall had not been so steep as in the previous three months.

Mr Cook pointed out that it was the eighth consecutive industrial trends survey under this Government which has shown a fall in output.

"When are you going to recognise that the economic consequences of your policies have been disastrous?" he demanded.

Mr Stephen Dorrell (C Loughborough) said that as the Public Sector Borrowing Requirement was smaller than last year and was not rising there was no case for a further round of fiscal deflation.

The Chancellor replied: "No more does it support the case for a further round of fiscal inflation."

Sir Geoffrey told other questioners that there had been a sharp fall in the rate at which unemployment was increasing, although no one would conceal the fact that unemployment would be on a rising trend for some time to come.

"The worst possible way for dealing with that would be to embark on an outburst of reflation," he said.

Mr Nigel Forman (C, Carshalton) suggested that a six-month wage freeze should be introduced in the autumn. But this was ruled out by Sir Geoffrey who saw no evidence that an institutionalised incomes policy was the right answer to Britain's problems.

The Chancellor also said he had no reason to change his forecast that inflation would be down to 10 per cent by November. That forecast still stood.

Another Labour economic spokesman, **Mr Jack Straw**, said the Chancellor's "extraordinarily wild claim" that the recession was at an end did not square with the "bleak message" from this week's survey of 22 leading economic forecasters.

He also pointed out that the CBI forecast categorically stated: "There is no evidence of any substantial recovery."

Sir Geoffrey agreed that there were differences among the forecasters but he maintained they were all looking forward to growth in output next year.

A close look at the CBI survey showed the great majority of indicators moving in the right direction.

The success of the economy, he went on, did not depend on analysts looking at a particular set of entrails. It depended upon people reacting sensibly to economic conditions. Once again he emphasised the important part that would be played by moderation in wage demands.

Mr Peter Shore, Labour's Shadow Chancellor, pressed Mr Brittan about the future course of interest rates and said that as the inter-bank rate was at 14 per cent the MLR might also have to go up. He wondered how this was compatible with the forecast made at the time of the Budget.

Mr Brittan replied that the level of interest rates in the UK compared extraordinarily favourably with those in other countries.

He predicted that the Opposition's policies would lead to a massive increase in interest rates and a massive growth in inflation.

Expelled Labour councillors appeal

By Margaret van Hattem, Lobby Staff

LABOUR'S NEC is being asked once again to intervene in the continuing battle between Right and Left in Manchester's turbulent local Labour Party.

Fifty-four Right-wing Labour councillors who earlier this week expelled 17 Left-wingers from the council's dominant Labour group want a full-scale inquiry into the inquiries of the Left-dominated party.

The 17 are appealing against the decision to withdraw the Labour whip from them.

Several, including Mr Graham Stringer, chairman of the Manchester party, were among 13 councillors who successfully appealed to the NEC last year after being expelled for voting against spending cuts.

The expulsion of the 17 followed close on a decision by the party to drop 21 Right-wingers from the list of candidates for next year's council elections.

Those dropped included the Lord Mayor, the deputy leader of the council, the deputy chairman of the housing committee and several other senior members.

Mr Norman Morris, the lealed of the 90-seat council, who has already announced his intention not to seek re-election, yesterday accused the 17 of urging the council to break the law.

"They say we should have a rate increase of 120p in the pound, and they are urging against the strong advice of the Labour Party nationally that we should break the law in two areas—opposing the sale of council houses, and by running into debt," he said.

"They want us to bring services in Manchester to an end to run out of money to create chaos and industrial disputes, and then let Mr Heseltine (Environment Secretary) come in and run the town hall."

Mr Stringer denied, however, that the 17 had urged a 120p rate increase or that they wanted to break the law.

"We have never asked the council to do anything illegal," he said.

"The difference between us and the majority of Labour councillors is that we don't think they have brought enough pressure to bear on the Tory Government."

The 17 did, he said, oppose the sale of council houses and felt the council should have nothing to do with them: nor should it invite a representative of the Department of the Environment to participate.

The dispute is expected to be taken up by the NEC's organisation sub-committee at its next meeting on September 14 and to be referred to a full NEC meeting ten days later.

Their decision is already expected to be in favour of the 17.

Either way however the issue is almost certain to be raised at the party's annual conference the following week both in the context of local government resistance to central government policy, and in the context of the answerability of local government groups to the national party.

TUC gives guide on cutting overtime to protect jobs

BY PAULINE CLARK, LABOUR STAFF

TUC LEADERS have, for the first time, issued trade union negotiators with clear and detailed guidance on how to cut overtime as part of a long-term strategy to combat unemployment.

The move by the TUC general council is significant in its effort to protect jobs at a time of recession, and in the face of the technology threat.

Announcing plans yesterday to intensify its campaign for reduced working time, the TUC drew attention to the need to tackle "the problem of excessive and systematic overtime" as part of its response to the jobs crisis.

The contribution reduced overtime could make to ensure a fairer distribution of jobs has been given lip service at several annual congress debates.

But pressue for printed solutions had to be weighed against the aspirations of shop floor trade unionists in industries where overtime pay contributes signficantly to earnings.

However, TUC leaders appear to be prepared to tackle the problem head on in an attempt to give a clear national lead to shop floor bargainers. The TUC gives straight forward advice to those threatened with redundancy, for instance, to trade overtime cuts for "no involuntary redundancy" agreements.

In its new Working Time Checklist for union negotiators published yesterday, the TUC pointed out that the centrepiece of its policy against unemployment was the case for reflation and growth set out in its 1981 Economic Review.

"It cannot be ignored, however, that even in the depths of the current recession long hours continue to be worked, overtime per overtime worker continuing to average around 10 hours a week, even in sectors where unemployment is considerable," the statement said.

Union negotiators, who were informed that cutting overtime was "a major TUC priority," were asked to consider negotiating tighter limits on overtime. They were asked to ensure that decisions on overtime were under joint control.

The checklist also asked negotiators to take steps to:

- ● Eliminate overtime over a period of years with annually negotiated basic pay increases.
- ● Establish joint procedures for determining exemptions, special needs and emergencies.
- ● Ensure fulltime off for hours worked above agreed overtime limits.
- ● Maintain premium payments for unsocial hours worked and ensure these are high enough to discourage the use of overtime by employers as cheap labour.
- ● Ensure overtime, once reduced, does not rise again when economic conditions improve.

The TUC guidance urged negotiators to tackle the reasons for high overtime.

It suggested higher manning levels and improved training could reduce overtime resulting from skill shortages and that higher manning levels and improvements in health and safety could cut overtime. It also said higher basic rates would stop overtime being used to provide a reasonable and competitive level of earnings.

The check list gave detailed guidance on cutting work hours in continuous process and shift-work industries and on achieving different and more flexible patterns of work.

The TUC, which is also campaigning for a 35-hour week, six weeks' holiday and choice of early retirement on adequate pensions, suggested ways to counter employers' arguments about cost.

It maintained that reduced working time could produce a fairer and more stable pay structure, improve morale and performance and provide a more flexible response to fluctuations in demand.

The check list urged negotiators to keep their unions up to date on preparations for a mid-1982 national review of developments.

Working days lost through strikes lowest for five years

BY PHILIP BASSETT, LABOUR STAFF

STRIKE ACTIVITY in 1981, as measured by official figures of the number of working days lost, seems likely to be considerably less than the already low level of last year.

Figures published in the Department of Employment Gazette show that the number of days lost through strikes in the first half of 1981 was 2,576,000 compared with 11,035,000 for the same period last year. The 1980 figures, however, were considerably distorted by the impact of the 13-week national steel strike.

The number of stoppages beginning in the period—considered to be a less reliable indicator of strike activity than days lost—was at 666 (857 in the same period last year) the lowest for any comparable period since 1942, when 612 were recorded.

The total of days lost for the period—the lowest for five years—has been mainly boosted this year by the effects of the Civil Service strikes over pay.

More than 40 per cent of the working days lost last month resulted from the Civil Service dispute, for example. The total lost in June of 324,000 showed a small decline from the May figure of 359,000.

It continued the decline throughout the year since March, when the Civil Service strikes began, and was the lowest figure since January, when 245,000 working days were lost through strikes.

The number of stoppages beginning in June also fell to 72, from 84 in May, with the number of workers involved falling to 42,000 from 53,000.

The Gazette also said that total employment in the UK, seasonally adjusted, fell by 300,000 in the first quarter of 1981—somewhat less than the decline of 385,000 in the final quarter of 1980.

The department said that the reduction in the rate of decline largely reflected the slower drop in manufacturing industry employment since the beginning of the year.

The total number of employees in March 1981 was almost 1.4m, or 6¼ per cent below the level in June 1979. Male employment fell by nearly 900,000, or 6¾ per cent, while full-time female employment fell by about 350,000 (6¼ per cent).

The working population fell by 78,000, seasonally adjusted, in the first quarter of the year to 300,000 (90,000 male and 210,000 female) below its June 1979 level.

Whitbread strike is called off

Financial Times Reporter

A THREE-WEEK STRIKE by 12 brewery workers — which closed 144 of the 211 Whitbread public houses in the North West and led to 1,400 colleagues being laid off has been called off. There will be a full resumption tomorrow.

Breakdown in Time Out talks

By Our Labour Correspondent

THE 14-WEEK dispute at Time Out magazine has now entered a critical period, following the breakdown of talks at the Advisory, Conciliation and Arbitration Service.

Mr Tony Elliott, the magazine's owner, said that unless the 64 staff members agreed to drop their commitment to pay parity within the next few days, he would have to make important decisions on the magazine's future.

The options facing Mr Elliott, lacking a compromise on parity, are to attempt to restart publication of the magazine with a new staff, or, to liquidate the company and attempt to start a new magazine.

However, in both cases, the "blacking" placed on the magazine by the National Union of Journalists and the print unions would be likely to prevent production of it, at least in the UK.

Mr Elliott expressed doubt yesterday that the print unions would continue their blacking if the magazine was relaunched. He also said that he doubted that all the staff remained convinced of the merits of continuing pay parity.

However, the Time Out journalists' chapel (office branch) said yesterday it remained committed to parity, though it had offered other concessions to Mr Elliott in the course of the Acas talks. A full meeting of the chapel is to be held next Tuesday to discuss the latest situation.

Private telephones 'will benefit consumers'

BY IVOR OWEN

CONSUMERS WILL benefit from the wider opportunities offered to the private sector to exploit British Telecommunications' inland network, Mr Kenneth Baker, Minister claimed in the Commons yesterday.

He contended that there was now general acceptance of the view that use of the State monopoly network to supply services to third parties, particularly when there was an enhancement of existing facilities, would stimulate additional use and increase British Telecoms' revenue.

Opposition leaders—and some Tory back-benchers — were unconvinced and Mr tSan Orme, Labour's Shadow Industry Minister, forecast that British Telecommunications would find its best traffic captured by the private sector with the result that its investment programme would be undermined.

He also forecast that British manufacturers of telecommunications equipment would be adversely affected and predicted that the further liberalisation of the market approved by the Government would lead to a "flood of foreign imports."

Mr Baker admitted that British Telecom would lose some traffic but urged Mr Orme to keep a sense of proportion.

He estimated that the liberalisation proposals approved by the Government would account at most for some £70m to £100m of British Telecoms' turnover, which this year would exceed £5bn and was rising substantially.

Mr Baker stressed that the Government had received no representations recently from the manufacturers of attachments to answering equipment.

He understood that the large companies—GEC, Plessey, STC and Pye—were all cutting costs so that when the equipment was properly liberalised they would be able to compete successfully in the UK and overseas.

As for higher telephone charges, he pointed out that British Telecom was having to restructure the existing tariff because the domestic network lost money and the trunk network made money.

In fatalistic tones, Mr Kenneth Lewis (C, Rutland and Stamford) suggested that talk of restructuring could mean only one thing: "Prices are going up right across the board."

Mr Baker assured MPs that residential tariffs would not be "unfairly loaded" and emphasised that the Government was looking to British Telecom to ensure, as far as possible, that charges were not increased significantly in real terms for any class of user.

Baker: "general acceptance of additional use and increased revenue for British Telecom"

Manpower chief to head 'watchdog'

By Elinor Goodman,
Lobby Correspondent

MR JOHN CASSELS, director of the Manpower Services Commission, is to take over the day-to-day running of the unit advising ministers on the efficiency of Government.

He will head the unit, with support from Sir Derek Rayner, the Marks and Spencer joint managing director brought in by Mrs Thatcher to impose some of the disciplines of the private sector on the Civil Service. Sir Derek will stay on as a part-time adviser.

Sir Derek was appointed on a part-time, unpaid basis, and he has kept his job at Marks and Spencer throughout his two and a half years as a ministerial adviser. But he made it clear earlier this year that he wanted to spend more time at Marks and Spencer.

Mr Cassels will take over as managing director of the unit while Sir Derek will perform the functions of chairman, concentrating on the unit's long-term inquiries into the structure of the Civil Service rather than its studies into particular sectors.

The unit has a staff of four. In its first year, it indicated more than 15,000 jobs which could be cut, saving £67m a year and a further one-off saving of £28m. In 1980, it isolated another 9,500 jobs which could be prunde at a saving of £128m a year.

Mr Cassels, who will be promoted to second permanent secretary when he moves, worked for two years in private industry when he went on secondment to Dunlop Holdings.

Civil Service cuts 15,000 jobs to save £70m over a full year

BY ROBIN PAULEY

THE CIVIL SERVICE shed 15,301 jobs between April 1980 and April 1981, reducing the total staff number to 689,602 and producing savings which will amount to £70m in a full year.

The Government's target is to cut the Civil Service to 630,000 by April 1984, compared with 732,000 when the Conservatives took office.

The seventh report of the Commons Treasury and Civil Service committee*, published yesterday, shows that the non-industrial service was cut by 7,572 or 1.4 per cent to 539,914. The industrial civil service was cut by 7,729 or 4.9 per cent to 149,688.

The total fall of 15,301 is a net fall, some of the savings made during the year having been partly offset by growth at the departments of Health and Social Security and Employment, the Home Office and the Scottish Office, primarily to cope with the rise in unemployment.

There was also an increased workload in the prison service and special hospitals.

The Employment Department increased its staff by 5,117, or 24.7 per cent, for example, and the DHSS took on 1,200 more staff, a rise of 1.3 per cent, taking its total to 97,410.

The Environment Department shed 1,457 jobs or 12.5 per cent, largely with the use of the Management Information System for Ministers which Mr Michael Heseltine developed as an aid to rational control of staff numbers.

The largest percentage cut was achieved in the Civil Service Pay Research Unit which lost 13 staff or 15.7 per cent. It now employs 70 people.

The cuts result from the decision to disband the Standing Commission on Pay Comparability.

The number of senior civil servants at under-secretary level and above was cut from 811 to 759. The rump of the Civil Service—clerical officer and below—was cut from 301,400 to 299,900.

A total of 1,571 jobs were saved by contracting out and passing work to the private sector, most of them in the Property Services Agency.

* *Seventh report from the Treasury and Civil Service Committee. 1980-81. Civil Service Manpower Reductions, £2.30.*

MPs criticise concept of 'free standing enterprises'

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

TREASURY PROPOSALS for nationalised industries to hive off "free standing exterprises" and run them jointly wih the private sector were criticised last night by the Public Accounts Committee.

In a report* mainly based in interviews with Treasury civil servants, the committee said it found it difficult to conceive of a "mid-way house" between the state-supported businesses and those dependent on private sector sources of finance.

The Treasury had suggested that the private sector could provide at least 50 per cent of the equity finance for subsidiaries or "free standing enterprises" within the public sector.

Such enterprises would be "too close to the parent nationalised industries to be privatised but far enough from their mainstream operations to be allowed to fail."

Borrowing by such enterprises would not count against the industries' external financing limits but would count against the PSBR.

The committee said, however, that it found such a concept "elusive" and added: "It seems to us that a concern must either be trading on Exchequer credit or on private credit."

* *House of Commons, 15th report from the Committee of Public Accounts. Session 1980-1981. HM Treasury.—Nationalised Industries. £2.90.*

State opening of Parliament

THIS YEAR'S State opening of Parliament by the Queen will be on Wednesday, November 4, Mr Francis Pym, Leader of the Commons announced yesterday.

Tories claim 90% manifesto success

By Elinor Goodman,
Lobby Correspondent

MPs leave Westminster today for the summer recess with ten Government Bills already enacted this session, and another eight almost certain to get through Parliament during the overspill period in October.

The Government claimed that when all these Bills are on the Statute Book, it will have carried almost 90 per cent of its manifesto commitments.

The outstanding 10 per cent, which will be dealt with in the next session, include the sale of an equity stake in the British National Oil Corporation.

The 10 Bills already on the Statute Book are: The British Telecommunications Act; the Criminal Attempts Act; the Energy Conservation Act; the European Assembly Elections Act; the Gas Levy Act; the Industry Act; the Insurance Companies Act; the Iron and Steel Act; the Local Government (Miscellaneous Provisions) Act; and the Contempt of Court Act.

Tighter controls on parking

CONTROLS on the orange badge parking scheme for the disabled are to be tightened Mr Kenneth Clarke Transport Secretary said in a Commons written reply yesterday.

Mr Clarke said misuse tended to bring the scheme into disrepute and jeopardised the benefits to genuine users.

Bishop of Derry calls for end to hunger strikes

By Our Belfast Correspondent

DR EDWARD DALY, the Roman Catholic Bishop of Derry, appealed yesterday for an end to the hunger strikes at the Maze Prison near Belfast. His call was prompted by the imminent prospect of more deaths.

One of the eight strikers, Mr Kevin Lynch, slipped into unconsciousness on the 69th day of his fast. Mr Kieran Doherty, elected last month to the Dublin Parliament, was yesterday on his 70th day. He was also thought to be close to death.

Dr Daly, a prominent figure in the Roman Catholic hierarchy, said: "Your families want you to live; I want you to live. Nothing good can be gained by further deaths on hunger strike."

A voluntary end to the protest would bring relief for the families and many influential people around the world would demand a constructive result from discussions which would follow, he said.

Dr Daly urged the Government to seek a settlement and not a victory. He said Government efforts should not amount to "cynical exercises to avert international pressure."

The hunger strikers had already decided to continue in spite of a clear indication from Provisional Sinn Fein, the political wing of the Provisional IRA, that an end to the fasts would not meet with disapproval.

Three leading Republicans, including Mr Gerry Adams, vice-president of Sinn Fein, visited the prison on Wednesday night.

It was suggested afterwards that a proposal discussed with the prisoners was for a six-month suspension of the hunger strikes during which the progress of prison reforms would be monitored. The idea, evidently, was not taken up.

Mr Adams said: "The hunger strikes can end whenever the prisoners want them to end.

Gap between non-manual and manual pay no longer narrowing

BY OUR LABOUR STAFF

AVERAGE NON-MANUAL MONTHLY INDUSTRIAL EARNINGS
(as a percentage of monthly manual earnings)

	Great Britain	West Germany	France	Italy
1972	120.7	129.2	167.4	175.[illegible]
1979	112.2	137.6	155.9	*144.[illegible]

October 1972 to October 1979, except *April 1979

REDUCTIONS in defferentials between manual and non-manual workers in four major EEC countries, including the UK, have slowed or stopped, according to a Department of Employment survey.

A report in the department's gazette states: "Overall, the reduction of both industry and occupational differentials would appear to have been concentrated in the early to mid-1970s, and in most cases to have slowed, or ceased by the late 1970s."

The survey, by Mr David Marsden, lecutrer in industrial relations at the London School of Economics, reports that one major factor behind this may be the rise in unemployment in the four countries studied: the UK, West Germany, France and Italy.

It suggests that the greater effect of unemployment falling upon the young and the least skilled can lead to an increase in differentials, as a result of the more than proportionate increase in the availability of people for unskilled and casual work.

Much of the debate on the narrowing of differentials has been conducted as if such problems were confined entirely to the UK, says Mr Marsden, adding: "There is evidenceo f a similar long-term reduction in the differential for higher paid non-manual occupations for West Germany, France and over a shorter period for Italy."

In 1972 the differential between manual and non-manual workers was smallest in Britain and West Germany, with non-manual workers' average pay 21 and 29 per cent respectively above that of manual workers.

By the end of the decade the pattern had changed considerably, with a large decline in differentials in Italy and a smaller decline in France and Britain. Only in West Germany did the differential increase.

In France the reduction in skill differentials has been mainly confined to the lower-paid industries—mainly as a result of the raising of the minimum wage. There has been very little change in the lower-paid group in Germany, despite some reductions in regional collective bargaining agreements, though there has been a slight narrowing there in the engineering industries.

A greater overlap in occupational pay levels between manual and non-manual workers in the UK and Germany compared with France and Italy. In both the UK and Germany, male clerical workers earned less on average than semi-skilled manual workers, while in France and Italy they earned more than skilled men.

For the UK, the survey notes that one of the most striking changes has been in the improvement of the relative pay of the unskilled at a time in which they formed a declining proportion of the national workforce.

In particular, it states that the widespread claims of a reduction in skill differentials—at BL, for example—was largely a phenomenon of the early to middle 1970s. Since then, in engineering at least, such reductions have largely been restored.

The report states that toolroom workers have only seen a partial restoration of their differential from its lowest point in 1976. They have not regained their position of rough equality with maintenance workers and other skilled grades.

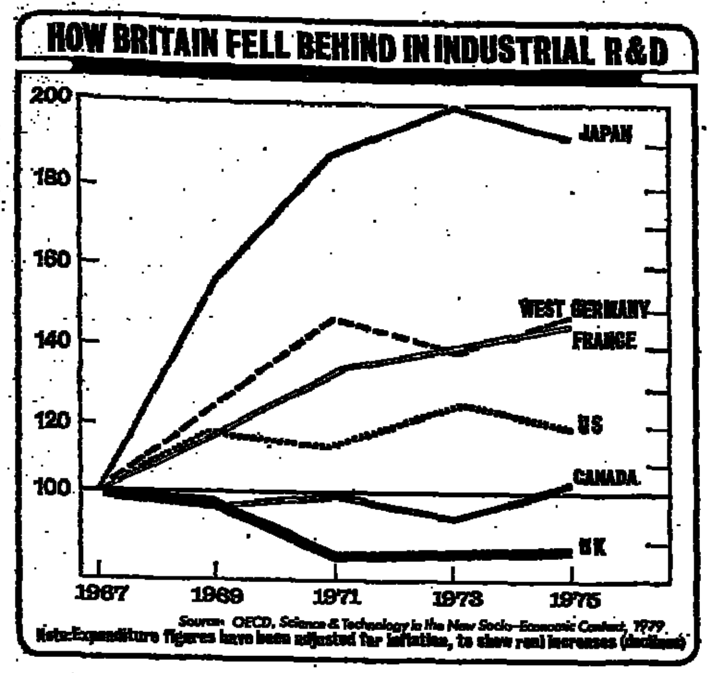
However, the groups most associated with this in the motor industry appear to have benefited most from the buying out of certain work practices, according to the survey.

MANAGEMENT

EDITED BY CHRISTOPHER LORENZ

Lack of innovation blamed for UK economic problems

BY CHRISTOPHER LORENZ


HOW BRITAIN FELL BEHIND IN INDUSTRIAL R&D

Source: OECD, Science & Technology in the New Socio-Economic Context, 1979.
Note: Expenditure figures have been adjusted for inflation, to show real increases (declines)

BRITAIN'S INDUSTRIAL performance could be improved by an intensified research and development effort across the board; not only has total UK industrial R and D fallen in absolute terms since the late 1960s (see graph), but it has been spread far less evenly across sectors than in major competing countries like France, West Germany and Japan.

These are two of the main conclusions to emerge from a new study of industrial innovation in the UK, Canada and the U.S., published by the British North American Committee.

Analysing the reasons for the recent decline in U.S. and UK innovative activity (of which R and D forms just a part), the author, Dr Kerry Schott of University College, London, detects a circular relationship between economic activity and innovation, with the relatively poor economic performance of the two countries through the 1970s both causing and being caused by a relative lack of innovation.

In the U.S., UK and Canada, she writes, decreasing profits, together with higher investment costs have contributed to a lower priority being given to innovation.

In the case of Britain, Dr Schott also points the finger at the quality of management, citing the low proportion of graduate managers, and the fact that engineers are not the preferred management group, in contrast with France, West Germany and Japan.

Though Dr Schott's paper has few solutions to offer—other than an improved economic climate and better tax incentives for R and D—its 65 pages provide useful summaries of: comparative industrial performance between countries; the relationship between innovation and productvity growth; and the reasons why companies do or do not innovate.

Among points of particular interest are:

- Industrial R and D is more concentrated in Britain than in any other country. Only the UK chemical and electronics industries devote a relatively large share of funds to innovation.
- The only country where patent applications by residents have risen since 1970 is Japan; the number of patent applications filed there is consistently higher than even in the U.S.;
- In stark contrast with Britain and the U.S., West Germany maintained its share of the world market for manufactured exports between 1960 and 1979, in spite of the rise of Japan. The UK's share fell from 16.5 per cent to under 10 per cent.

* *From: British North America Research Association, 1 Gough Square, London EC4. Tel 01-353 6371. Price £2.25.*

Business courses

Quality Circles—how can they help you? Oakham, Leicestershire. September 11. Fee: £25 (plus VAT). Details from Institution of Industrial Managers, Cardiff Road, Luton, Bedfordshire.

Cost Reduction and Product Improvement through New Developments in Materials and Processes, Uttoxeter, Staffordshire. September 24. Fee: £35 (plus VAT) members, £45 (plus VAT) non-members of the Design Advisory Service. Details from Education Section, The Design Council, 28 Haymarket, London SW1Y 4SU.

Successful Systems Design: The Human Element, Uxbridge, Middlesex. September 21-24. Fee: £350. Details from The Secretary, Management Programme, Brunel University, Uxbridge, Middlesex UB8 3PH.

The Fundamentals of Finance and Accounting for Non-Financial Managers, Brussels. September 21-25. Details from Management Centre Europe, avenue des Arts 4, B-1040 Brussels, Belgium.

How to Succeed at Project Management, Kenilworth, Warwickshire. September 28-30 Fee: £300 (plus VAT). Details from Savant Institute, 2 New Street, Carnforth, Lancashire, LA5 9BX.

A Director's Legal and Professional Responsibilities. London. September 29. Fee: £95 (plus VAT) members, £125 (plus VAT) non-members of the Institute of Directors. Details from Education Director, Institute of Directors, 116 Pall Mall, London SW1Y 5ED.

Management for the Young Executive, *Slough, Berkshire.* September 7-October 2. Fee: £1,000 (plus VAT). Details from Urwick Management Centre, Baylis House, Stoke Poges Lane, Slough, Berkshire, SL1 3PF.

Aiming for Achievement, London. September 23-25. Fee: £195 (plus VAT). Details from The Coverdale Organisation, 3 Logan Place, London W8 6QN.

The Technical Manager, London. September 14-16. Fee: £370 (plus VAT). Details from AMR International, 6-10 Frederick Close, Stanhope Place, London W2 2HD.

ICI sets a trend by slimming its way out of recession

BY JOHN ELLIOTT

ONE DEPUTY chairman's post has been abolished at ICI's Mond division headquarters at Runcorn near Merseyside. Another six or seven directors' jobs are being eliminated out of a 13-strong boardroom. This *slimming* down at the top is being echoed throughout the management structure and is *being accompanied* by up to 3,500 redundancies.

As a result of this and other economies, ICI, the UK's largest industrial group, hopes that the division will emerge from the current recession in a leaner and more efficient state, cutting out much of the fat and the overlapping functions that developed in the Mond chemicals business during many years of seemingly endless growth and *profitability.*

If it is done successfully, this division of ICI could emerge as one of the best examples of a business harnessing the recession to push through changes which had been planned before current economic problems had begun to bite.

The division reckons that it is set for a 7.2 per cent increase in productivity when output returns to 1979 levels. This is based on a 3.2 per cent annual increase in sales per employee on current reduced levels of output.

The Mond division is not alone in making this use of the recession. Companies which think they have done most to make their organisations more efficient during the past year or so are those which had already started on changes because of earlier pressures. Such companies include British Steel and British Shipbuilders in the public sector and Northern *Engineering Industries* and Plessey as well as parts of ICI in the private sector.

ICI (all of whose divisions are rationalising operations) started its changes in the Mond division in 1979 after five years of poor performance. The division was formed in 1964 from the company's general chemicals and alkali businesses. Until 1973 it logged up an annual 2.2 per cent average reduction in manpower and a 6 per cent increase a year in sales volume.

This steady productivity improvement, based on constant expansion of the volume of business, then dropped away because of a lack of continuing growth. In the next four years to 1979, manpower levels remained constant while sales fell by an average of 1 per cent a year.

Profitability was maintained by increasing prices—a luxury that could not be afforded by 1979. So ICI's management started on a massive productivity-generating programme of retrenchment and economies that then became more urgent—and in some ways *easier to implement—when* the general recession and the election of the present Government changed the economic and industrial climate.

Mond had been insulated from industrial troubles for so long that the change came as a shock to workers in the northwest whose families expected *almost automatically to find employment* in the Runcorn works. "Now people are aware that ICI cannot guarantee orders and jobs for everyone for ever" says Robin Paul, Mond's deputy chairman.

Robin Paul, ICI Mond's deputy chairman: "Never in 20 years have we had such a mood for getting things done"

Justify

"Never in my 20 years as a production manager have we had such a mood for getting things done. *We have had more* changes accepted than ever before." He attributes ICI's success to "positive management leadership," as well as the national climate and acceptance of the imperatives of the chemicals market. "Employees are now more aware of competition, for example, from the U.S. and of the impact of sterling on the business."

This has been achieved by a wide-ranging communications exercise, using business arguments to justify the changes that *management and workers have* had to accept.

In common with several other companies, ICI has been paying special attention to communicating with middle management since people at these levels have had to accept changes themselves as well as urge them on others.

The management cut-back started at board level with the reduction in the number of the division's *deputy chairmen* from two to one when one of the incumbents was promoted to another ICI post. The total number of boardroom seats has been reduced from 13 at the end of 1979 to eight by combining various functions—research with engineering for example and commercial services with finance. Further reductions to a total of five or six are planned.

"*We are developing a clearer* structure because more work and responsibility is delegated and there are fewer people to be talked to" says Paul. The changes are now working down through the management structure so that there is a 30 per cent reduction over three years, mainly achieved by people over 50 taking early pensionable retirement.

The aim is to have only five management *levels between the* chairman and the shop floor instead of six, seven or even eight. For example, the assistant works manager level is being abolished so that there is only one level of front line management.

Each level will have a "conceptual job" different from the others. Basically these will be: the smaller board in charge of "conceptual management"; about 25 business, financial, or site managers in charge of profit or cost centres; middle managers; professional managers in charge of individual plants; and first line supervision such as *shift foremen or clerical supervisors.*

Overall the division slimmed its workforce by 6 per cent—985 people—in 1980, and the target this year is about 9 to 10 per cent—more than 1,000 people. This will bring the labour force down from just *over 16,000 at the end of 1979 to* well below 14,000 by the end of this year. A further reduction to 12,500 is planned by 1983.

Other changes have included rationalising the division's engineering workshops. This has saved £800,000 a year on a £10m budget through the closure of small uneconomic workshops and centralising services. Further work is now being done in this area across a *broader ICI front.*

Stores have been centralised, cutting back on what is known *as the "foreman's larder"* so that £5m of stock has been handed back from corners of factories to a central computer controlled system.

Research and development is also being rationalised, again linking with a broader ICI initiative. Maintenance work by outside contractors has been cut by 30 per cent, while maintenance by ICI's own employees has been trimmed by 15 per cent. Since there is no evidence of a back-log of maintenance building up, nor any reduction in the amount of maerials being used, Paul says that this is a genuine productivity gain, not a *reaction* to Mond's lower levels of output.

Research and development work is being concentrated on projects with the most rapid or most profitable marketable potential. Wide-ranging energy savings are being introduced at a time when energy costs are causing very serious problems in Mond's chlorine business.

Investments are continuing in some key projects—such as a £200,000 electronic office equipment system—although "sustinence investment" involved in up-dating general operations is being examined "very hard."

The division has also become what Paul describes as a "very hard buyer." Price rises in excess of single figures have been refused.

Paul is confident that the Mond division will hang on to most of all these changes when the recession ends and will not drift back to its earlier habit. He gives three main reasons: first the company could not take back the hundreds of workers *who have left; second it could* not easily undo the new management structure; third he has seen no inclination among shop stewards to try to undo what has been achieved.

Potential

But the pressures are beginning to tell. Last month the division suffered its first major stoppage in its history and for a *brief time was closed when* frustrations over ICI's national pay negotiations became caught up with tensions caused by the cutbacks.

Some critics will say that ICI will still be too bureaucratic and over-manned, even when its reforms have been completed. Paul, however, says: "I'm more hopeful that for the first time in 20 years actions are being taken to get our cost base *right and competitive.*"

But he has to acknowledge that, in common with most of the rest of manufacturing industry, ICI is not too sure how many of its customers will have *closed down or retracted* irreparably by the end of the recession. Cutbacks in companies like Courtaulds and Bowater have hit the Mond division hard. Paul's hope for the future is that customers which survive will themselves be more profitable.

TECHNOLOGY

EDITED BY ALAN CANE

Micro Circuit Engineering joins the logic arrays club

BY GEOFFREY CHARLISH

NEARLY £1.5m is being spent *by Smiths Industries to* equip a new subsidiary, Micro Circuit Engineering at Tewkesbury, Gloucestershire.

The company's main product will be uncommitted logic arrays (ULAS) offering two levels of cell design together with a full custom design facility.

Smiths Industries, therefore, joins such companies as Ferranti, Mitel licencees GEC and Plessey, Racal, General Instrument, Texas Instruments, Motorola, Fujitsu, Thomson CSF and Siemens in making arrays offerings of one kind or another

MCE however, will process no silicon. *Instead, all* the investment *is being made* at the two ends of the production process: circuits and masks are designed *at customers' sites* and at Tewkesbury and the masks are sent to a semiconductor company for processing to the three inch wafer stage. The wafers are diced, tested and packaged by MCE.

The new company's skills are based on 15 years of in-house experience as part of the SI Aeropsace and Defence Systems Group at Bishops Cleeve.

It was realised some years ago that future business would not necessarily *lie predominantly* in the space and defence direction and the decision was *taken to* create a new company with 25 per cent financial assistance from the DOI Microelectronics Support Scheme.

Now, some 80 per cent of MCE's work is for companies *outside aerospace and defence.*

Semiconductor processing—successive diffusions/maskings *of the slices—is* carried out under contract by a number of semiconductor majors for MCE so that devices can be supplied in CMOS, bipolar and *I-squared-L* technologies. These companies process only the wafers—all the testing is carried out by MCE.

The company says that its arrays have been developed specifically to enable conventional medium or small scale integrated circuit *techniques to* be used in the design of custom large-scale integrated circuits.

Its ULA structure is based on the use of functional cells each of which has an equivalent standard CMOS part that can be used initially for "breadboarding" and proving the logic designs.

Cells exist for a wide range of logic functions — gates, registers, latches and so on—and are represented at the design stage by self-adhesive decals.

These decals, which can be likened to dual-in-line packages on a printed board, can be assembled by the customer on to a special three feet square grid sheet and interconnected *with thin black tape strips.*

MCE holds stocks of standard silicon wafers on to which the basic components have been processed. *When a completed* circuit layout is received the wafers can then be committed to *the customer's requirements,* via CAD techniques, by etching off an overall metal layer to *leave the* required interconnections.

The company undertakes to turn round sample devices in less than eight weeks.

In addition to ULAs, MCE can provide a full LSI custom service which is particularly suitable for devices needed in larger volumes and also for larger and more complex circuits. This yields the lowest production cost per function and is offered in all LSI technologies.

Between these approaches, Smiths offers a third bath *called semi-custom which is a* cellular approach at a higher level than the ULA product and is said to be ideal for customers able to trade off a small size increase (about ten per cent) against a *shorter time to production* and lower development costs.

MCE is encouraging customers to examine each of the routes offered carefully and to work out the break-even point *in relation to the conventional* PCB solution.

Its formula for break-even quantities divides the difference between production cost per unit of the PCB and chosen route into the total development cost of the custom approach chosen.

COMPARISON OF THE THREE MCE ROUTES FOR THE EQUIVALENT OF A 3-BOARD/150 I.C. PACKAGE COSTING £100 (3 months to samples)

Technique	Silicon utilisation %	Development cost £000	Unit production cost £	Break-even quantity	Time to sample, months
Full custom	100	60	25	800	12
Semi-custom cellular	90	30	26	406	6
Semi-custom array	50	20	30	286	3

The table gives examples based on the replacement of three PCBs containing 150 medium and small scale integrated circuits. At 1000 off, the PCB cost per set of boards according to *MCE might* be *£100.*

Thus, in the full custom alternative, the break-even quantity works out at 800 units (£6,000 divided by £100 minus *£25). The figure drops to 406* for the semi-custom cellular method and to 286 for the array (simple cell) case.

In the array case, only one mask is needed for the interconnections and one or two layers are used. The semi-custom cellular technique uses more complex *cells, several* masks and up to four layers.

Thus, as one moves from full custom through cellular to array circuits, development cost reduces sharply, unit production *cost rises, break-even quantities* get smaller and the time to get into production drops markedly.

Although the unit production cost seems to rise only marginally, it must be remembered that when thousands of circuits are planed the actual money involved is considerable.

These array/cellular techniques are proving much more acceptable in the UK than in the U.S., according to Ian Pearson, since they allow the smaller markets over here to be tackled economically.

Pearson believes he will achieve a £2m turnover in the coming year, rising to £5m by *1983. He has customers in* such areas as data transmission, industrial control, telecommunications (including ITT) and in engine control systems.

The company is already deal*ing with new ULA designs* at the rate of 60/year, and 70 per cent of the business is from overseas.

This little 50-employee company will, says Pearson, "have to achieve a 30 per cent return on funds used in order to generate the necessary cash for re-investment in new production equipment which, due to *innovation,* has to be written off every three years."

It *seems to have* got off to a flying start. At the new site an increase in working hours *from 37½ to* 40 has been agreed between the management and the two unions involved (AUEW and ASTMS) and the lunch break has been set at half an hour.

Fluid levels

NATIONAL SEMICONDUCTOR has launched what it describes as a "universal fluid level detection circuit"—suitable for monitoring the level of the oil in car engines, or indeed the level of any non-flammable fluid in which a thermal-resistive probe may be operated *safely.*

The device works on the thermal resistivity of typically *nichrome wire.* The probe resistivity—and, therefore, temperature, changes more rapidly *when the probe is not immersed* in liquid than when it is.

According to National Semiconductor, the measurement of thermal resistivity rather than fluid conductivity or capacitance avoids problems *such as probe* corrosion and dielectric changes. More on 0234 47147.

. . POINTERS . .

Danish device to record time interval voltages

GUNNAR LARSEN, a Danish company, has introduced this module designed to record voltages in linear or logarithmic time intervals. Designated the LDL 100, the company claims that the device is an aid when data changes at an exponential rate as a function of time. There is a 13 bit resolution with *output printed in* 3½ digit form. In the linear mode, results can be printed in constant intervals between 0.1 min to 999 min with 0.1 min resolution. Details are available from the company at Fredensvang 29, DK 7600 Struer, *telephone* 07 85 28 90.

Protective insert for paper reels

THROUGHOUT the paper *industry, from the* large comprehensive mill to the processor or roll-fed printer, kraft cores *are generally thought of as disposable* items. Typical unit price of six or seven inch *diameter* kraft cores (in quantity) is about £2.60, causing larger mills to spend up to £¼m a year on core supplies.

There is now an inexpensive long-life elastomeric protective insert for the vulnerable kraft cores of paper reels which promises almost indefinite re-use of kraft cores (subject to any other incidental damage) says T. Lund and Son, Argyll Mills, Bingley, Yorks.

This is simply inserted to absorb all the rotary, lateral and centrifugal forces otherwise exerted directly onto the core, its elastomeric material resisting all tearing and scrubbing effects of machines serrated expanding or inflated stub shaft which provides the transmission drive for the reel.

Called the Lund insert, it has a fluted external surface to *ensure a non-slip grip on* the inner circumference of the core which should then be able to be re-used almost indefinitely.

The company has carried out tests with Gestetner Papers *which indicate that an* expected improvement in core life by a factor of 15 can reason*ably be forecast in an average* mill environment while the core insert itself is absolutely *unmarked.*

Lund says that it should be possible to save about 85 per cent in core purchases.

Hitek introduces amplifiers

HITEK Distribution of Cambridge has introduced two amplifiers. Designated LH0024 and LH0032 the amplifiers are high speed general purpose devices exhibiting 70 MHz band widths. Both devices can drive loads with peak currents of 100mA, with the LH0032 using J-FET input devices to give, the company claims, low input bias and offset currents. More on 0954 81996.

Forming attachment

DIAFORM of Uxbridge has introduced its 5/1 grinding wheel forming attachment as a successor to the Series 5, of which ten thousand units have been sold. The company says that its diaform models provide an accurate method of profiling grinding wheels by means of the pantograph principle. This plan view of the Diaform Model 5/1, prior to mounting on a surface grinder, shows the template against which the operator works, with the stylus and the carrier fitted with two diamond chisels

THE PROPERTY MARKET

BY MICHAEL CASSELL

Short lease deal at Bowater House

IN ONE of the largest short leasehold sales in recent years, about one-third of the floorspace in Bowater House on London's Knightsbridge has changed hands for £5m.

In return for its money, an unnamed pension fund (not thought to represent a nationalised industry) takes a 19-year lease on about 80,000 sq ft of floorspace in the 272,000 sq ft building, developed by Land Securities during the late 1960s.

Institutional interest in short leases is fairly restricted, although opportunities arise from time to time, and in most cases any purchase represents something more akin to a "money - buying" transaction rather than a traditional property investment. The covenant is of course all-important, as any vacant space arising can totally undermine the value of this type of short-term investment which provides no time to average out and recover lost ground.

In the case of Bowater House, the vendor of a major underlease on a chunk of the building is ICI's Fibres Division, which is being rationalised in the wake of huge trading losses and which no doubt is happy to convert something of a longer-term benefit into a short-term gain.

It was British Nylon Spinners, a predecessor of ICI Fibres, which originally took the 80,000 sq ft underlease from Bowater Paper Corporation, holders of the head lease on the building. But when ICI came to consider disposing of most of its space it was restricted, under the terms of the lease, from sub-letting more than a proportion of it to anyone else.

Agents Leighton Goldhill were called in to advise ICI about the problem and were able to renegotiate the terms with Bowater so that total sub-letting could start. As a result, over 50,000 sq ft has subsequently been let out to names like Barclays International, CBS News and General Electric.

The continuing dispersal of ICI personnel has now made more of its space available and Leighton Goldhill—which is offering units of between 6,000 sq ft and 10,000 sq ft at rents ranging from £85,000 to £162,000 a year—say rents of between £15.50 and £15.75 are being achieved. There is about 20,000 sq ft looking for tenants.

None of the parties involved are prepared to talk about the sale of the unexpired underlease but it is thought that the purchaser will begin with a rental income of about £750,000. It is also understood that both Bowater and ICI have been paying something in the region of £1.50 a sq ft for their Knightsbridge space.

A touch of reality

With the political masters at County Hall having vented years of pent-up prejudice on London's property market, the task of re-injecting some hint of reasoned argument into the debate on the need for further office development fell this week to the Greater London Council's planning officers.

The planning committee's recent policy document effectively gave notice of a near-total ban on new office development in central London—and did more for property shares than committee chairman Ed Gouge could have imagined in his worst nightmare.

But the men whose job it is to keep in touch with reality have been quick to imply that if the new GLC leaders really want to help London and Londoners then they cannot simply deprecate and dismiss the role played by offices and office development in maintaining the wealth and health of th capital.

In their own report, to be put before the planning committee today, the officers stress that, without new permissions continuing to emerge at a reasonable level, counter-productive pressures on supply and rents will build up—unless decentralisation and the decline of office employment on a substantial scale are accompanied by a marked slowing down in the rate at which space per office worker is expanding.

The planning officers do, however, conclude that an interim period of restraint on new development in central London—pending a full strategic review—is justified by the volume of space in the pipeline. They estimate that known planning permisisons exist for 20m sq ft of gross office accommodation and that this figure could be as high as 30m sq ft, suggesting a net gain of around half that total.

Their proposals, which stress the need for the type of flexibility conspicuously absent from the committee's own policy document and seek to widen the definition of acceptable development, support restraint policies already imposed in local plans and the restriction of office development in areas where local plans have not yet been approved. For central London as a whole, the guidelines include modernisation and redevelopment of existing buildings, development which is part of an otherwise acceptable mixed-use scheme, offices ancillary to industry and commerce and accommodation which contributes to the improvement of public transport facilities. In exceptional cases, development for a named occupier which is accepted as being necessary for London's economy, might also be permitted.

The officials care to make some form of analysis of the development industry, rather than reject it a la Gouge as the manifestation of "anonymous and unwanted speculative forces in search of fat profits."

Their report continues: "The emergence of the office block as an investment asset is a product of apparently assured demand and increases in rents and capital values which have compared well with other forms of investment. Since the last office boom, the financial institutions have become much more influential in property development and, thanks to their ability to take a longer-term view, are better able to weather the demand cycle in central London and to ride out short-term surpluses. But the institutions too are now more conscious of the longer-term uncertainties over demand."

The officers go on to say that an office policy which considers demand and supply over a 5-10 year period needs to be concerned with the differing implications of user and investment demand. Such an approach calls for a better understanding, they suggest, of the office development process and the respective roles of land owner, user, developer and financial institution to complement the monitoring activity within the Council.

Today's committee meeting should be interesting. Mr Gouge says London needs an increase in office planning permissions "about as much as it needs a Thames flood." A little less rhetoric and a bit more thought might also be in order.

Sun Life £4½m plan

SUN LIFE PROPERTIES has bought a site in Perrymount Road, Haywards Heath, Sussex, with planning permission to build 40,000 sq ft of offices. The consent is unusual in terms of Mid-Sussex's current policy towards office development because no local user restrictions will apply. Development will start next year and the scheme will be worth between £4m and £4½m when completed. The site was introduced to Sun Life by Grant and Partners, who are retained as letting agents. ...

● St. Christopher's House South, the final phase in the St Christopher's Place shops and offices refurbishment scheme north of Oxford Street has been funded by the Imperial Tobacco Group pension fund for £2.05m. ITG's investment in the scheme now stands at over £15m. The property produces an income of about £140,000 a year showing a yield to the Fund of 6½ pe rcent. Conrad Ritblat acted for Greengarden Investments, who largely devised the St Christopher's Place concept. ITG was represented by Richard Ellis.

● London and Manchester Securities has sold its 22,000 sq ft Masshouse Estate in the centre of Birmingham to Devon County Council Superannuation Fund for £700,000. The estate is let on a 25-year lease at an initial annual rent of £46,000 to the Post Office.

Call to reject Billingsgate plan

Greater London Council's planning committee will today be recommended to reject a planning application for a multi-million pound commodity exchange and office complex at Billingsgate fish market.

The Billingsgate market is due to close at the end of this year when it moves down river to the Isle of Dogs. The Billingsgate site has been put up for sale by the City Corporation but redevelopment of the area has been complicated by the fact that the market buildings were listed last year by Mr Michael Heseltine, Environment Secretary.

Nevertheless, John Swire, the shipping, trading and transport group, and the London Commodity Exchange are pursuing their joint planning application to develop a new exchange and office complex. The proposals would retain the existing market building.

A recommendation that these plans be rejected is contained in a GLC officers report to the planning committee which meets today. The report says that the scheme "fails to exploit the unique potential of this site" and would have an "adverse impact on River and City views."

The officers, however, do not rule out the possibility of a revised scheme being accepted and suggest that there should be further meetings between the GLC and the City Corporation, which owns the freehold of the market site.

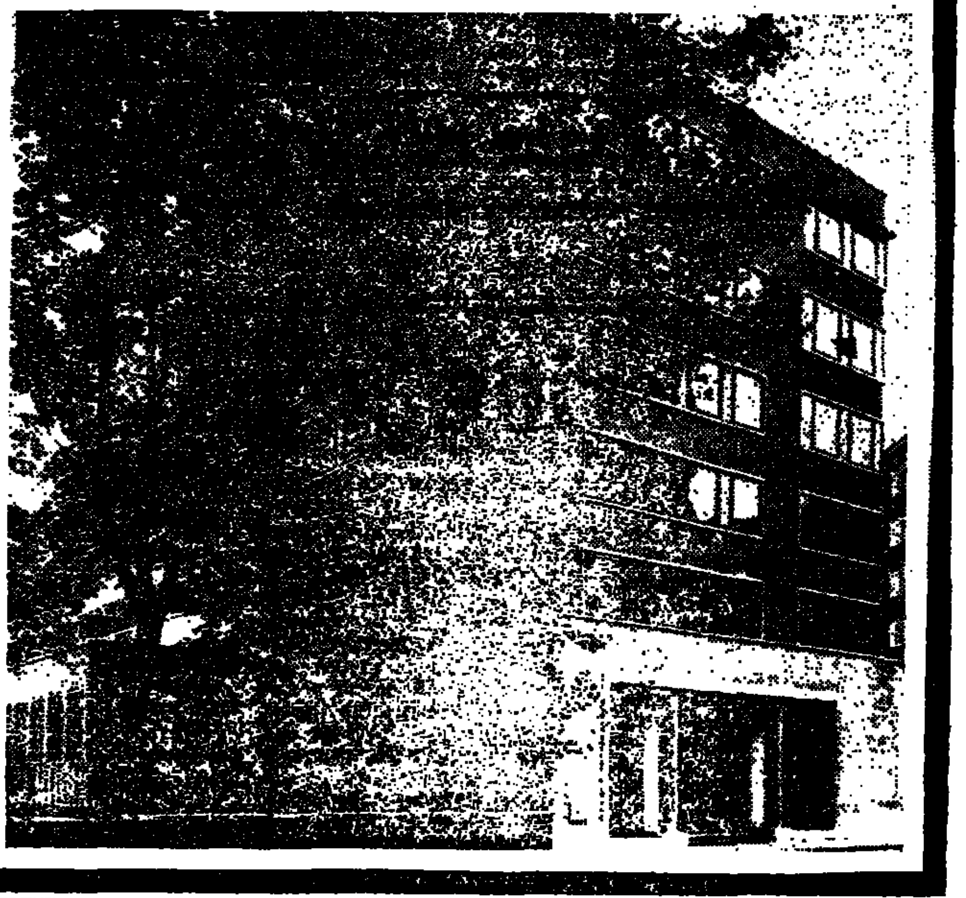
The original plans call for the retention and refurbishment of the market buildings plus the construction of a new 2,000-sq-feet net office block, to be the home of the new London Commodity Exchange.

Proposals for the existing building provide for a museum or art gallery on the ground floor plus shopping areas and a wine bar. Basement levels would provide car parking, creation facilities, a restaurant and a cinema for the use of the new Commodity Exchange. The upper floors of the building would provide offices—part of which were to be occupied by Swire—and some residential units.

The new office block would have provided around 60,000 sq ft of space of market area for the new Exchange plus office accommodation for the operator of the market. This would have left around 130,000 sq ft of office space for letting.

A spokesman for John D. Wood, agents advising the London Commodity Exchange, said that since the planning application was made in December "a number of planning ground rules had changed," which meant that the proposals would have to be revised.

Andrew Taylor



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The Financial Times proposes to publish a Survey on the Chartered Surveyor. The provisional editorial synopsis is set out below.

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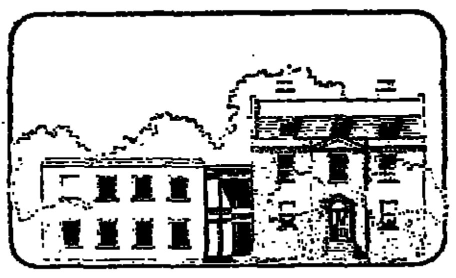

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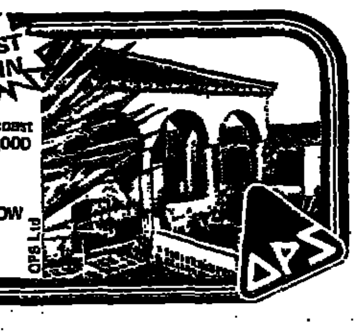

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APPOINTMENTS

Corporate finance executive at Samuel Montagu

Mr Ian McIntosh has been appointed a managing director of SAMUEL MONTAGU AND CO. with responsibility for the corporate finance division from tomorrow,

★

Mr T. J. Robinson and Mr R. E. Whitten have been appointed to the board of LONRHO.

★

Mr Tom Ford and Mr Colin Taylor have been appointed managers, and Mr Ron Jenkins and Mr David Knight, assistant managers, of BUTLER TILL.

★

Mr Martin Prevezer has been appointed managing director of ENTORES from October 1. Entores is the parent company of Entores (Metal Brokers), ring dealing members of the Metal Exchange.

★

Mr F. Clive de Paula will retire on November 30 from the board of the AGRICULTURAL MORTGAGE CORPORATION. From the beginning of December, Mr P. R. Carroll will be responsible to the board for the operation of the corporation in his capacity as general manager. Mr de Paula will continue as chairman of Tecalemit.

★

Mr Mike Ramsay, at present assistant general manager (administration) and actuary, has become actuary of the TSB TRUST COMPANY.

★

Viscount Dunluce, Miss Joan Trimble and Mrs Anne McCollum have joined the board of ULSTER TELEVISION. Lady Antrim and Mr Paddy Falloon have retired.

★

BRYANS SOUTHERN INSTRUMENTS, part of the Phicom Group, has appointed Mr Dick Bowman as marketing director responsible for digital and analogue plotters and recorders Mr Bob Brash has been made technical director, Mr Colin Davies financial director and Mr John Elliott production manager.

★

Mr Brian Meade has been appointed chairman and managing director of MICROWAVE COMMUNCATIONS, a member of the M/A-Com Group. He was previously with Marconi.

★

Mr Alfred W. Moor has been appointed assistant general manager *(staff) and Mr Alastair* C. Dempster, assistant general manager (international) of the ROYAL BANK OF SCOTLAND *from tomorrow.*

★

Mr E. J. Aaronson has been appointed a director and chairman of W. AND F. C. BONHAM AND SONS and its parent MONTPELIER PROPERTIES. Mr Aaronson is chairman of GRA Property Trust and a director of PMA Holdings.

★

Mr David Coulson has been appointed deputy head of advertising control at the INDEPENDENT BROADCASTING AUTHORITY, succeeding Mr Harry Theobalds. Mr Coulson was marketing director of Earls Court and Olympia.

★

Mr Ralph B. Hurlbutt has been appointed senior vice-president and manager of MELLON BANK's London branch.

★

The LEP GROUP has appointed Mr David Robertson managing director of Lep Travel from tomorrow.

★

Mr M. Maher has been *appointed to the board of* NOYES BROS PTY, a Hawker Siddeley company, as director and general manager of the coal mining group and Mr F. de Beaujeu has become director and general manager of the merchandising group.

★

Mr Richard Truelove has been appointed to the board of BROWN BROTHERS as technical director.

★

Mr Derek C. Guy, public relations manager, Burmah-Castrol, has been elected vice-president of the INSTITUTE OF ENGINEERS AND TECHNICIANS.

★

The MINISTRY OF DEFENCE has appointed Mr R. M. Hastie-Smith deputy under-secretary of state (policy and programmes) in succession to Mr M. E. Quinlan from August 3.

★

Mr B. W. Davies has been appointed a director of HEPWORTH PLASTICS, *a subsidiary* of Hepworth Ceramic Holdings. Mr Davies has been associated with the Hepworth Ceramic group for the past eight years, latterly as managing director of Fordham Plastics.

★

Mr Charles A. Fraser has been appointed a non-executive director of WALTER ALEXANDER. He is a partner in W. J. Burness WS.

★

Mr Owen Kealy, financial director, WATERFORD GLASS, has been appointed group *managing director in place of* the late Mr Noel Griffin. Mr Colm O'Connell becomes managing director of Waterford *Crystal with overall* responsibility for crystal production, Mr Thomas Aspel will control crystal sales, and Mr Thomas Healy has been made a director of Waterford Crystal.

COMPANY NOTICES

TANKS CONSOLIDATED INVESTMENTS LIMITED

NOTICE TO HOLDERS OF ORDINARY STOCK
DIVIDEND NO. 68

NOTICE IS HEREBY GIVEN that the final Dividend recommended on 2 June 1981, at the rate of 10p per 50p unit of *Ordinary Stock for the year ended 31* December 1980, will be paid on or after 17 August 1981 to Stockholders registered in the books of the Company on 13 July 1981 and to *holders for the time being* of Stock Warrants to Bearer as indicated below.

Holders of Stock Warrants to Bearer should arrange for Coupons No. 68 therefrom to be lodged at the office of the Company's Paying Agents:

Tanganyika Holdings Limited
6 John Street
London WC1N 2ES

or to *deposit such Coupon in BRUSSELS at:*
Societe Generale de Banque
3 Montagne du Parc
or
Banque Bruxelles Lambert
24 Avenue Marnix

or in PARIS at:
Credit du Nord et Union Parisienne
6 & 8 Boulevard Hausmann
or
Messrs Lazard Freres & Cie
5 rue Pillet-Will

or in Switzerland at:
Swiss Bank Corporation
Aeschenvorstadt 1
Basle
and all its Swiss Offices

or in LUXEMBOURG at
Banque Generale du Luxembourg
14 rue Aldringen
or
Banque Internationale a Luxembourg
2 Boulevard Royal

Coupons presented for payment in Brussels, *Paris,* Switzerland or Luxembourg will require to be accompanied by declarations to the effect that they have neither been received from nor are the property of *residents in the United Kingdom.*

United Kingdom Income Tax at the rate of 30%, will be deducted:

(a) Where holders' registered addresses are situated in Great *Britain* or Northern Ireland.
(b) Where other holders on the Principal *Register* have appointed Agents in *Great Britain or Northern Ireland* for the receipt of Dividends for their Account.
(c) From payments made in respect of coupons presented in London unless such coupons are accompanied by *Inland Revenue* declarations.

By Order of the Board,
BAHAMAS INTERNATIONAL TRUST CO. LTD.
Secretaries

Dated the 31st day of July 1981
PO Box N7768
Nassau
Bahamas

Compania Telefonica Nacional de Espana

Floating rate note issue 1980/1991 of USD 50million

The rate of interest applicable for the six months period beginning on July 30 1981 and set by the reference agent is 18⅞% annually.

THE SCOTTISH AGRICULTURAL SECURITIES CORPORATION p.l.c.

3¼% Debenture Stock, 1979-84
5¼% Debenture Stock, 1986-88

Notice is hereby given that the REGISTERS of the CORPORATION'S above mentioned Debenture Stocks will be CLOSED for TRANSFER and *REGISTRATION* from the 18th to 31st August 1981 both days inclusive.

By Order of The Board
H. J. McTurk
Secretary

48 Palmerston Place
Edinburgh EH12 5BR
31st July 1981

BEARER DEPOSITARY RECEIPTS REPRESENTING PREFERRED STOCK OF BAXTER TRAVENOL INTL. CAPITAL CORPORATION 1st SERIES CONVERTIBLE PREFERRED STOCK

A distribution of $0.49 per depositary *share less any applicable taxes depending* on the presentor's country of residence will be payable on and after July 22, 1981, upon presentation of coupon No. 19 at the office of any of the following depositaries:

MORGAN GUARANTY TRUST CY OF NEW YORK
—New York, 30, West Broadway
—Brussels, 35, avenue des Arts
—London, 1, Angel Court
—Paris, 14, Place Vendôme
—Frankfurt, 8 Bockenheimer Landstrasse 8
CREDITO ROMAGNOLO,
Via Armorari, 14, Milan
Via Boncompagni, 27, Rome
BANK MEES & HOPE N.V.,
Herengracht, 548, Amsterdam
KREDIETBANK S.A.,
Bd. Royal, 43, Luxembourg

NATIONAL COAL BOARD

US$
8% Guaranteed Bonds 1987

S. G. WARBURG & CO. LTD., announce that the instalment of bonds have been purchased in full for a nominal value of U.S.$5,000,000 for the redemption due on 1st September, 1981.
U.S.$85,000,000 nominal will remain outstanding after 1st September, 1981.
30 Gresham Street,
London, EC2P 2EB.
31st July 1981.

THE COMMERCIAL BANK OF THE NEAR EAST LIMITED

INTERIM STATEMENT

The unaudited results for the six months ended 30th June, 1981, show an improvement *compared with those for the same* period last year.

Present indications are that results for the full year to the 31st December, 1981, will show a continuation of this trend.
Bankside House,
107-112 Leadenhall Street,
London EC3A 4AE.

CLASSIFIED ADVERTISEMENT RATES

	Per line £	Single column cm £
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Businesses for Sale/Wanted	7.50	24.50
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Business and Investment Opportunities	8.00	27.50
Personal	5.50	17.50
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Book Publishers	—	net 10.00

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Financial Times, 10, Cannon Street, EC4P 4BY

LOMBARD

Royalty and the market

BY ANATOLE KALETSKY

THERE WERE many joys for many people on the day of the Royal Wedding. One of the greatest for me was the almost complete absence in newspapers and TV news bulletins of any references to Cabinet Ministers and economic events.

How much more delightful it is to turn on the television and be greeted by the sight of a beaming Princess Diana, taking her first steps into the fairy land of royal life, instead of confronting Mrs Thatcher, defying the nation to submit to "economic realism" and live within its means: how much more soothing to open *The Times* on Wednesday morning and read a refreshingly bland exposition by Prince Charles of "why I feel so close to the Commonwealth" instead of ploughing through another fervent diatribe from Mr Eric Heffer or Mr Tony Benn about the monetarist death-throes of capitalism.

Escapism

But the pleasure which the Royal Wedding gave to millions of foreigners as well as Britons, is rooted in something deeper than mere escapism. For the "fairy tale" world of the royals is in many ways much more real than the world of "market realities" and class struggle with which the politicians are obsessed.

That, at least, is what the crowds lining The Mall on Wednesday would confidently have said. The real world for them was not one that Adam Smith or his latter-day apostles would have recognised or approved of. As the coach drove by with the Prince and Princess waving, the people in the crowds felt a thrill transcending the joy of earning a fiver for an extra hour of overtime.

For the Royal family represents a world in which there is more to life than buying in the cheapest market and selling in the dearest; in which mass unity and collective action are not just market distortions to be found solely on the picket line; in which extravagance, pomp and lavish public consumption are not merely synonyms for waste, over-manning and moral corruption.

Of course the British people's enthusiasm for one quintessentially public sector institution outside the marketed sector does not mean that Britain can turn its back on the more prosaic world of private sector individualism and market economics. But as a check against the application of simplistic economic models to every aspect of national life—from trade unionism and public transport to defence and higher education—imagine a Royal Wedding organised along market principles.

Instead of tube trains packed to suffocation point there would have been relatively comfortable transport to the wedding and the fireworks display on Tuesday. For London Transport would have celebrated the nuptials by raising its fares tenfold for the duration of the happy day.

Instead of campers sleeping out in The Mall and Fleet Street to secure their vantage points for the procession, there would be ticket collectors ushering the audience to places which had been sold off by auction in advance. The best places might be very expensive, but this would ensure that people who were prepared to invest their lives' savings in this unforgettable experience would be assured of comfortable and well placed seats.

Instead of the Crowned Heads of Europe, the captains of industry and export would lead the procession into St Paul's. Instead of an extra day's holiday, workers would receive a special festive tax demand to pay for the ceremony. This would include an itemised statement, indicating how much of the levy was attributable to over-manning in the Blues and Royals and how much to excessive pay settlements by the Master of the Horse.

Injunction

Finally, everybody would be given special market research questionnaires. These would seek to discover what they had enjoyed most about the wedding, when they would wish to pay for another one and whom they would most like to see married. The questionnaire would be distributed by pretty girls and end with the words, "Have a Nice Day." In a world run entirely on market principles that injunction is necessary. Without it people might forget.

Spa health treatment revival

BY LORNE BARLING

AROUND BRITAIN

BATH

WITH THE once-valued spa waters of Bath now pouring unused down the Roman drains, a £15m project to restore the historic city as an international health centre is being described, with an almost unforgivable pun, as being a great big plug for the city.

Since 1976, when the National Health Service ceased to pay the fees of those using the spa for medical reasons, the waters have been virtually abandoned. Worse still for Bath, a case of meningitis the following year was traced to an amoeba—later found in other spas—which can exist in the warm area around the water hole.

Although Bath is swarming with tourists who come to see the magnificent Roman baths, now being further excavated with frequent new discoveries, a European consortium intends to help put the waters back to work and attract another 10,000 visitors a year.

The consortium, including (to the publicists' delight) an Italian spa company with Roman origins, has established that it can overcome the health risk by drawing off water through a borehole, before piping it to hotels and health centres.

A test borehole has recently been sunk, with the resulting flow of water under much higher pressure than had previously been expected, and geologists believe a greater volume of water than the current 300,000 gallons a day can be achieved.

Bath City Council is enthusiastic about the scheme, since the area is much in need of the two new hotels it will provide, and has contributed £25,000 towards the cost of a feasibility study by the consortium, EPDG Project Development Group (Europe).

This is made up of a variety of interests from the UK, France and Italy, mainly brought together by Lord Selsden, who first became involved when the council recently needed advice on the "bug" problem and to undertake major repairs to the pump-room foundations as a result of erosion. Lord Selsden, a director of the Italian spa company Terme de Poretta, believed it could help with the work and later the consortium evolved.

It includes, as financial advisers, Samuel Montagu and Midland Bank, of which Lord Selsden is European Community adviser, consulting engineers Sir Alexander Gibb and Partners, Inter-G of France, and the Thomas Cook Group, which has a distant connection in that a member of the family gave the Assembly Rooms to the city.

The project director of the consortium will be Mr David Fenton, formerly deputy chairman of the Central Electricity Generating Board, whose experience will be complemented by that of the Continental partners. Poretta has been involved in the development of spas in Switzerland, the Soviet Union and North Africa.

The feasibility study, expected to be approved by Bath Council in September, proposes the construction of two spa hotels, one with 90 beds and a treatment centre in Bath Street, and a 200-bed hotel and centre on the site of a nurses' home.

It also suggests the re-establishment of public thermal water bathing facilities at Beau Street and the Cross Bath, and total treatment facilities for up to 40,000 patients a year.

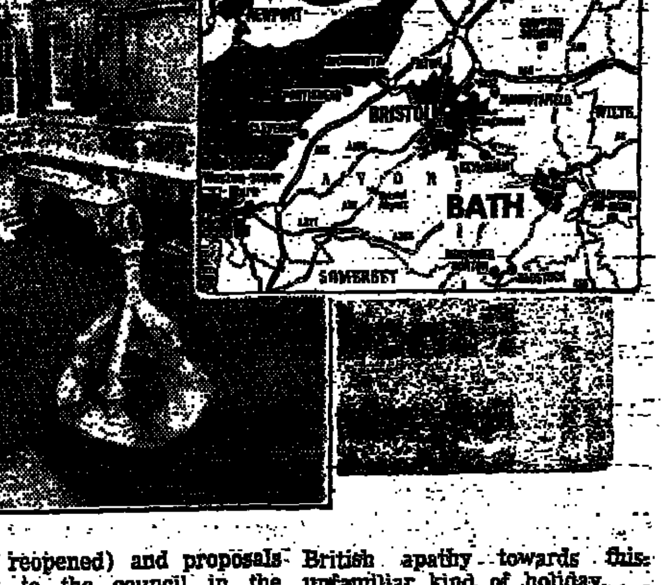
The big question, however, is whether it will attract visitors in sufficient numbers. Mr David Beeton, the council's chief executive, is confident it could, pointing out that the total Western European spa market is estimated at 8m customers a year.

"More people in Europe take thermal bath cures than ski-ing holidays, and there is a growing tendency for people to seek natural rather than medical cures," he said, adding that the increasing popularity of health centres in Britain was another encouragement.

The consortium is nevertheless aiming to attract almost all its initial clientele from the Continent, where some 1.6m people went on foreign spa holidays last years. It aims to win around 1 per cent of the European market to break even.

One of the planned hotels will be in the five-star category, since it is thought that many potential visitors want a comfortable holiday at the same time as receiving treatment, a trend evident elsewhere in Europe.

The attitude of Bath residents to the scheme is reported to be strongly favourable (with a poll showing that 94 per cent of people wish to see the spa facilities reopened) and proposals going to the council in the autumn are likely to be approved.



Mr Beeton points out that the spa has been the lifeblood of Bath for 2,000 years and it is no less important now, since revenue from visits to the Roman baths and pumproom bring in more than the rates. Partly as a result, the rates have gone down by two-thirds in real terms in the past six years.

However, tourist visits now average only two days and the local economy needs a boost.

Italian consultants who have recently provided a new technical evaluation of the scheme are convinced it will be profitable, but the potential UK partners are approaching it more cautiously, perhaps fearing British apathy towards this unfamiliar kind of holiday.

Assuming these doubts are allayed, the Bath Spa Development Company is likely to be launched later this year or early next, and development will go ahead with completion in the spring of 1984 or perhaps 1985.

Inevitably, there will be potentially profitable spin-offs, such as the marketing of bottled spa water and related cosmetics, and the provision of conference facilities.

Dr Italo Testa, the managing director of Terme di Poretta, said: "It seems sad that the British, who were once the main promoters of spa treatment with all the natural resources in Bath and other centres, should have isolated themselves from such a growing market."

The Thatcher looks rewarding

RACING

BY DOMINIC WIGAN

MR JIM JOEL, who has made an annual pilgrimage to the south coast for each of the last 40 years for the Goodwood July meeting, should have one of his more rewarding days on the Sussex Downs this afternoon.

The Thatcher, considered Henry Cecil's best two-year-old of 1980, looks capable of giving Mr. Joel his most important prize to date on the downland track in the £20,000 added Extel Stakes.

The highly impressive conqueror of eight opponents at a minor event at Yarmouth on his racecourse debut, The Thatcher then failed, to the surprise of many—including his trainer—to handle Baz Bombati in Newmarket's Fitzroy House Stakes.

However, in retrospect, failure by the minimum distance there against a more precocious opponent of Baz Bombati's ability was no disgrace.

The Thatcher, for whom those efforts comprised his public exertions as a juvenile, looked to be in need of the outing on his reappearance at Royal Ascot last month when saddled with a formidable task in the Britannia Stakes.

If, as his stable believes, the handsome bay son of Connaught's half-sister, Jolie Fleur, is now ready to produce his best, he should have the necessary class to give weight away all round.

Of the Warren Place colt's seven opponents I have most regard for another illustriously bred one, Oraston. Last time out this chestnut filly by Morston out of the smart Red Godmare, Orange Cap, returned to the winner's enclosure with a two-and-a-half-length Newbury success over the subsequent Ascot winner, Cracking Form.

An hour before he saddles Oraston Bluebury's in-form handler, Fulke Johnson Houghton will, doubtless, be looking to the one-raced Falaka with more than a little hope in the opening Findon Maiden Fillies' Stakes.

GOODWOOD
2.00—Falaka*
2.30—Castle Keep
3.00—The Thatcher***
3.35—Keep Smiling**
4.05—Reconquest
4.35—Faiz

THIRSK
2.45—Martialis
3.15—Phylliria

NEWMARKET
6.15—Outlaw
6.45—Silly Moo
7.10—Copt Hall Realm
8.10—Covergirls Choice

TV/Radio

† Indicates programme in black and white

BBC 1

6.40-7.55 am Open University. 9.55 The Wombles. 10.00 Jackanory. 10.15 Cheggers Plays Pop. 10.35 Why Don't You . . .? 11.25 Test Cricket: England v Australia from Edgbaston. 1.20 pm How Do You Do. 1.45 News. 2.02 Regional News for England (except London). 2.05 Test Cricket (continued). 4.18 Regional News for England (except London). 4.20 Play School. 4.45 The Space Sentinels. 5.05 The Best of Horses Galore. 5.30 Roobarb.

5.40 Evening News.
5.55 Regional News.
6.20 Nationwide.
7.00 The Liver Birds.
7.30 Whatever Happened to the Likely Lads?
8.00 Grace Kennedy.
8.30 "A Chance to Sit Down" (last of four parts).
9.00 Nine O'clock News.
9.25 International Athletics from Crystal Palace.
10.10 Knots Landing.
11.00 The Music Scene.
11.30 News Headlines.
†11.35 Film: "The Scamp" with Richard Attenborough.

All Regions as BBC1 except as follows:

BBC Cymru/Wales—1.30-1.45 pm Bys a bawd. 5.05 Fred Bassett. 5.10-5.30 Ci o'r enw Samson. 5.55-6.20 Wales Today. 7.00 Tom and Jerry. 7.10 Heddiw. 7.35 All adfer bro. 8.00-8.30 Bellamy's Backyard Safari. 11.00 Week in Week Out. 11.30-11.35 News for Wales. 1.05 am Weather for Wales.

Scotland — 10.15-10.35 am BZZZ. 1.25-1.30 pm Scottish News. 5.55-6.20 Reporting Scotland. 11.00 The Beechgrove Garden. 11.30-11.35 News for Scotland.

Northern Ireland—4.18-4.20 pm Northern Ireland News. 5.55-6.20 Scene Around Six. 11.00 Cook with Clare. 11.30-11.35 News for Northern Ireland. 1.05 am News and Weather for Northern Ireland.

England—5.55-6.20 pm Look East (Norwich); Look North (Leeds); Look North (Newcastle); Look North West (Manchester); Midlands Today (Birmingham); Nationwide (London and South East); Points West (Bristol); South Today (Southampton); Spotlight South West (Plymouth). 11.00-11.30 East (Norwich) — Weekend; London and the South East—Jack Dieval in London; Midlands (Birmingham) — This is . . . Cosmotheka; North (Leeds)—Direct Line: Job-hunting (lines to Leeds 446222 open at 7.00 pm); North East (Newcastle)—Heroes: Alan Brien; North West (Manchester)—The Music Scene; South (Southampton) — The Chipperfield Safari (Part 2); South West (Plymouth)—That's Rich: West (Bristol)—Movie Magic: "Let's Celebrate."

BBC 2

6.40-7.55 am Open University.
11.00 Play School.
2.15 pm Racing from Goodwood.
4.20 Cricket: Fourth Test.
6.30 Open University.
6.55 Six Fifty-Five Special.
7.25 Mid-Evening News.
7.35 Gardeners' World.
8.00 Mudra-Afrique: African dancing.
9.00 Fundamental Frolics.
10.15 Stuart Burrows Sings.
10.50 Newsnight.
11.35 BBC2 "Bullseye" Darts Trophy.
12.05 am Test Cricket.

LONDON

9.30 am Larry the Lamb. 9.40 The Story of Wine: Narrated by Baron Philippe de Rothschild. 10.10 The Bubblies. 10.15 Nature of Things: Islam. 11.05 The Ante Room. 12.00 pm A Handful of Songs. 12.10 Once Upon a Time. 12.30 One in a Hundred. 1.00 News at One. 1.20 Thames News. 1.30 Emmerdale Farm. 2.00 Houseparty. 2.25 Friday Matinee: Ben Gazzara in "The Neptune Factor." 4.15 Porky Pig and Daffy Duck. 4.20 Storybook International. 4.45 Freetime. 5.15 *Sale of the Century.*

5.45 News.
6.00 Thames News.
6.30 Thames Sport.
7.00 Winner Takes All.
7.30 Return of the Saint.
8.00 That Beryl Marston . . . !
9.00 Ladykillers . . .
10.00 News from ITN.
10.30 Police 5.
10.40 End of Part One.
11.10 The Shattered Dream: Employment in the Eighties.
12.10 am George Hamilton IV.
12.40 Personal Choice with Dilys Powell, CBE.

All ITV regions as London except at the following times:

ANGLIA

9.40 am Speedway. 10.05 Brass in Concert. 10.45 Cities. 11.40 Razzmatazz. 1.20 pm Anglia News. 2.25 Friday Film: "Cattle Queen of Montana," with Ronald Reagan. 5.15 Winner Takes All 6.00 About Anglia. 7.00 Sale of the Century. 10.30 Side by Side by Swinfield. 11.00 Soap 11.30 Years of Lightning. 12.00 am Friday Film: "Eyewitness," starring Donald Sinden and Muriel Pavlow. 1.30 God Bless America.

ATV

9.40 am Something Different. 9.55 Wild, Wild World of Animals. 10.15 In Focus. 10.45 Target Bowls. 11.10 The Further Adventures of Oliver Twist. 11.40 Razzmatazz 1.20 pm ATV News. 2.25 Bracken. 3.25 The Engagement. 6.00 ATV Today 7.30 Vegas. 10.30 WKRP in Cincinnati 11.00 ATV News. 11.05 David Janssen: TV Superstar.

BORDER

9.45 am Sesame Street. 10.45 Who's Afraid of Opera. 11.10 Survival. 11.35 Razzmatazz 1.20 pm Border News. 2.25 Three Coins in the Fountain (1954). 6.00 Lookaround Friday 6.30 Years of Lightning. 7.30 Vegas 10.00 News and Border Weather 10.30 The 83rd Bishop. 11.00 Soap. 11.30 Border News.

CHANNEL

1.20 pm Channel Lunchtime News, What's On Where. 2.25 Friday Matinee: Only With Married Men 3.45 Father, Dear Father 6.00 Channel Report. 6.10 Disney Cartoons. 6.30 The Lost Islands 7.30 240 Robert 10.28 Channel Late News 10.30 Vision USA 10.40 Late Night Movie: Puppet on a Chair. 12.25 am News and Weather in French.

GRAMPIAN

9.45 am First Thing. 9.50 Survival Special 10.45 Young Ramsay 11.40 Razzmatazz. 1.20 pm North News †2.25 Feature Film: "Sahara," starring Humphrey Bogart 6.00 Summer at Six and Area Weather. 10.30 Eagle 7.30 Vegas. †10.30 The Late Night Horror Show. 11.55 Police Surgeon. 12.25 am North Headlines.

GRANADA

9.30 am A Big Country 10.00 European Folk Tales. 10.10 Razzmatazz. 10.30 Comic Stories. 10.35 The Flying Kiwi. 11.00 Sesame Street. 1.20 pm Granada Reports. †2.25 Friday Matinee: "The Farmer's Daughter" 6.00 Granada Reports. 6.30 WKRP in Cincinnati. 7.30 The Incredible Hulk. 10.30 A Week on Friday. 11.00 Soap. 11.30 For Adults Only.

HTV

9.45 am Razzmatazz. 10.10 Beachcombers. 10.35 The Entertainers 11.00 Sesame Street. 1.20 pm HTV News. 2.25 The Pyjama Game. 6.00 Report West. 6.30 WKRP in Cincinnati. †7.30 The Incredible Hulk. 10.28 HTV News. 10.35 The West in Westminster. 11.05 Danger UXB.

HTV

HTV Cymru/Wales — As HTV West except: 12.00-12.10 pm Ffalabalam. 4.15-4.45 Natur Mewn Argyfwng. 6.00-6.15 Y Dydd. 6.15-6.30 Report Wales. 10.35-11.20 Y Mwynder Hwn A Erys. 11.20-12.20 am Danger UXB.

SCOTTISH

9.55 am Portrait of a Village. 10.20 Wild, Wild World of Animals: Deadly African Snakes. 10.45 Young Ramsay. 11.40 Razzmatazz. 1.20 pm News Headlines and Weather Report. 2.25 Friday Matinee: "Warpath." 6.00 Scotland Today. 6.30 W.K.R.P. in Cincinnati. 7.30 The Incredible Hulk. †10.00 News and Scottish News Headlines. 10.30 Meet Paul Cola. 11.00 Friday Night Thriller 12.20 am Late Call: Commissioner Eva Burrows.

SOUTHERN

9.35 am Untamed World 10.00 Lost Islands. 10.25 Afloat. 10.35 Human Face of China. 11.20 European Folk Tales. 11.40 Razzmatazz. 1.20 pm Southern News. 2.25 Walt Disney Classics. 2.40 Daring Dobermans. 6.00 Day by Day 6.00 Scene South East (South East Area only). 6.30 Survival. 10.00 News followed by Southern News Extra. 10.35 Your Westminster. 11.05 Soap. 11.35 Madame Le Juge. 1.20 am Weather followed by Peter Tims Reflects.

TYNE TEES

9.30 am The Good Word. 9.25 North East News. 9.30 Untamed Frontier. 9.50 George Hamilton IV. 10.15 Bailey's Bird 10.35 Sesame Street. 11.40 Razzmatazz. 1.20 pm North East News and Lookaround. 2.25 Friday Matinee: "The Games." 4.15 Cartoon Time. 5.15 Let's Rock. 6.00 North East News. 6.02 Showcase 6.30 Northern Life, 7.30 Vegas. 10.30 North East News. 10.32 Thriller. 12.00 am Welcome Back, Kotter.

ULSTER

1.20 pm Lunchtime. 2.25 Feature Film: "State Secret" 4.13 Ulster News. 6.00 Good Evening Ulster. 6.30 Let's Rock! 7.30 The New Avengers. 10.29 Ulster Weather. 10.30 Witness. 10.35 The Incredible Hulk. 11.35 Bedtime.

WESTWARD

9.35 am Sesame Street. 10.35 Vicky The Viking. 11.00 Cities. 11.55 Wattoo Wattoo. 12.27 pm Gus Honeybun's Birthdays. 1.20 Westward News Headlines 2.25 "Only With Married Men." 3.45 Father Dear Father. 6.00 Westward Diary. 7.30 240 Robert. 10.32 Westward Late News. 10.35 Faith for Life. 10.40 Late Night Movie: "Puppet On A Chain." 12.30 am Faith for Life. 12.35 West Country Weather and Shipping Forecast.

YORKSHIRE

9.40 am The Amazing Years of Cinema. 10.05 Tandarra. 11.00 Razzmatazz. 11.25 Welcome Back Kotter. 11.55 Wattoo Wattoo. 1.20 pm Calendar News 2.25 Friday Film Matinee: "Murcheson Creek." 3.45 Do You Come Here Often? 4.20 The Further Adventures of Oliver Twist. 6.00 Calendar (Emley Moor and Belmont edition). 6.30 Calendar Summer Sport. 7.30 The Incredible Hulk. 10.30 Benson. 11.00 Friday Film: "The Deadly Trap."

(S) Stereophonic broadcast

RADIO 1

5.00 am As Radio 2. 7.00 Mike Read. 9.00 Simon Bates. 11.00 Andy Peebles. 12.30 pm Newsbeat. 12.45 Paul Burnett. 2.30 Dave Lee Travis. 4.30 Peter Powell. 5.30 Newsbeat. 5.45 Roundtable with Mike Read. 7.30 Anne Nightingale. 10.00 The Friday Rock Show (S).

RADIO 2

5.00 am Steve Jones (S). 7.30 Terry Wogan (S). 10.05 Jimmy Young (S). 12.00 John Dunn (S). 2.00 Ed Stewart (S). 4.00 David Hamilton (S). 5.45 News. 6.00 David Symonds (S). 8.00 Sequence Time (S). 8.45 Friday Night is Music Night (S). 10.00 Keep It MacLean. 10.30 The Bing Crosby Show. 11.15 Brian Matthew 1.00 am Truckers' Hour (S). 2.00 You and the Night and the Music (S).

RADIO 3

6.55 am Weather. 7.00 News. 7.05 Morning Concert (S) 8.00 News. 8.05 Morning Concert. 9.00 News. 9.05 This Week's Composer (S). 9.50 George Malcolm (S). 10.20 Debussy (S). 10.40 Piano Duo (S). 11.25 Cricket: Fourth Test. 1.35 pm News 1.40 Call the Commentators. 2.00 Lunchtime Scoreboard. 6.40 Mainly for Pleasure (S). 7.00 Third Opinion. 7.30 Proms 81 (S). 7.50 Through a Night. 8.10 Proms 81 (S). 8.50 A Game. 9.10 Proms 81 (S) 9.55 Hunger (S). 11.00 News. 11.05 Reinhardt and Grappelli.

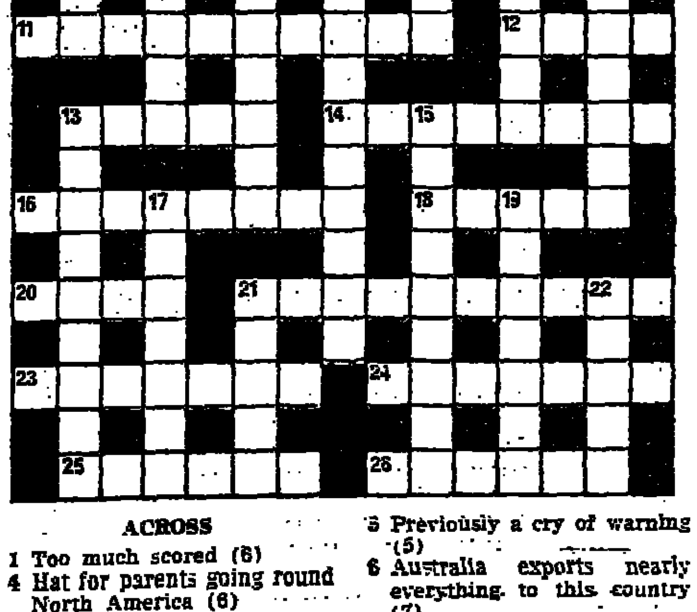
RADIO 4

6.00 am News Briefing. 6.10 Farming Today. 6.30 Today. 8.35 Yesterday in Parliament. 9.00 News. 9.05 Desert Island Discs (S). 9.45 Happy Returns. 10.00 News. 10.02 International Assignment. 10.30 Daily Service. 10.45 Morning Story. 11.00 News. 11.05 Furrows into Silence (S). 11.50 Natural Selection. 12.00 News. 12.02 pm You and Yours. 12.27 The Year in Question. 1.00 The World at One. 1.40 The Archers. 2.00 News. 2.02 Woman's Hour. 3.00 News. 3.02 Afternoon Theatre (S). 4.05 Weigh-in 4.15 Sick or Sad. 4.45 Story Time. 5.00 News Magazine. 6.00 The Six O'Clock News. 6.30 Going Places. 7.00 News 7.05 The Archers. 7.20 Pick of the Week (S). 8.10 Profile. 8.30 With Great Pleasure (S). 9.15 Letter from America. 9.30 Kaleidoscope. 10.00 The World Tonight. 10.35 Injury Time (S) 11.00 A Book at Bedtime. 11.15 The Financial World Tonight. 11.30 Today in Parliament. 11.45 John Ebdon with recordings from the BBC Sound Archives. 12.00 am News.

BBC Radio London

5.00 am As Radio 2. 6.30 Rush Hour. 9.03 Morning Star. 10.03 The Robbie Vincent Telephone Programme. 12.30 pm London News Desk. 12.40 The Total Music Show. 2.30 Tony Blackburn. 5.00 News 5.15 Music on the Move. 6.33 This Week. 7.03 Black Londoners. 8.00 As Radio 1. 10.00-5.00 am Join Radio 2.

F.T. CROSSWORD PUZZLE No. 4,634



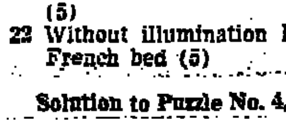
ACROSS

1 Too much scored (6)
4 Hat for parents going round North America (6)
8 The Fleet in watch for fish (7)
9 Foes try to make a saga (7)
11 A mount for those who set off their favourite topic (5-5)
12 Infrequent amalgamation of two regiments (4)
13 Is the girl to have children? (5)
14 Bird set erect at a couple of ducks (8)
16 Cheered up first but eradicated (8)
18 High priest whose rod still flourishes (5)
20 We have right and wrong to brook (4)
21 Dollar cuts to make both ends meet (6-4)
23 Behaviour of married woman about a girl (7)
24 Saul is upset about Pat—it means the knife (7)
25 "The long mysterious—of death" (Longfellow) (6)
26 Abscond in the Middle East (6)

DOWN

1 Cathedral city night in the middle of terrible rout (5)
2 Transport for all in Rome (7)
3 Paper for cunning people in part (9)
5 Previously a cry of warning (5)
6 Australia exports nearly everything to this country (7)
7 The PM appears at length (9)
10 Animal formation in pupils (9)
13 Involve mischievous child with prevarication about Felix (9)
15 Fruit follows the sign of a sour-tempered person (4-5)
17 In love with Rosalind, Ronald is upset over nothing (7)
19 Egyptian key-stone (7)
21 A hundred and four displaced in this Greek island (5)
22 Without illumination like a French bed (5)

Solution to Puzzle No. 4,633



ENTERTAINMENT GUIDE

OPERA & BALLET

COLISEUM. S 836 3161. CC 240 5258. ENGLISH NATIONAL OPERA. New Season ends Aug. 8 with Tristan and Isolde also Merry Widow, Orfeo, The Seraglio. Now Booking.

COVENT GARDEN 240 1066 'S' (Gardencharge CC 836 6903) 65 amphiseats avail. for all perfs from 10am on the day of perf. THE DANCE THEATRE OF HARLEM Ton't at 7.30 Tomor & Thurs at 2.00 Troy Game, Serenade, Schéhérazade. Tomor at 7.30 The Four Temperaments, Greening, Schéhérazade. Mon at 7.30 Concerto Barocco, Le Corsaire (pas de deux), Agon, Adagietto No. 5, Dougla. Tues, Wed & Thurs at 7.30 Bugaku, Allegro Brillante, Doina, Frankie & Johnny. Wed at 2.00 Special Lecture-Demonstration (Tkts 50p for children under 18 and for accompanying adults).

DOMINION Tott. Ct. Rd. (580 4562). Until Aug. 22 CHINESE ACROBATS (see under Theatres).

GLYNDEBOURNE Festival Opera with the London Philharmonic Orchestra. Until August 11. Tonight, Tues 5.55, Sun 4.55 Fidelio. Tomor, Mon, Thurs 5.55 Ariadne auf Naxos. Wed 4.55 Le nozze di Figaro SOLD OUT Tel for possible returns. BOX OFFICE 0273 812411/813424.

ROYAL FESTIVAL HALL. 01-928 3191. Info 01-928 3002. Until Aug 15. Evgs 7.30. Mat Sats 3.00. LONDON FESTIVAL BALLET. Until Tomor. LA SYLPHIDE. Ton't Hall/van Cauwenbergh. From Mon: ROSALINDA. Aug 10 to 15: COPPELIA. Tkts £3 to £8.

SADLER'S WELLS THEATRE, EC1. Tel 01-837 1672-1673-3856. Credit Cards 10 am to 6 pm 01-278 0871. Group Sales Box Office 01-379 6061. Tonight until Aug 15 Evs 7.30 SUMMER SEASON OF OPERA. Tonight, Aug. 1, 3, 4, 6, 8, 10, 12, 14, 15 THE GYPSY PRINCESS by Kalman. Aug. 5, 7, 11, 13. Mats Aug 8 & 15 at 2.30 HANSEL & GRETEL by Humperdinck. Tkts £2 to £9. SAVE £ £ £'s DANCE SUBSCRIPTION SEASON. For Details Tel 01-278 0855 NOW!

THEATRES

ADELPHI. S. CC. 01-836 7611. Eves 7.30. Sats 4.0 and 7.45. Mat Thursday at 3.0. TONY BRITTON, JILL MARTIN, PETER BAYLISS and ANNA NEAGLE in MY FAIR LADY. Grp bookings ring 01-836 7358 or 01-379 6061. Now booking through to October.

ALBERY. S 836 3878. CC bkgs 379 6565. Grp bkgs 836 3962. 379 6061. Eves 8. Thurs mat 3.0. Sat 5 & 8.15. SIAN PHILLIPS, DENIS LAWSON most promising new actor DRAMA AWARD '80. PAL JOEY.

ALDWYCH. S 836 6404. CC 379 6233 (10-6, Sats 10-4) Info 836 5332. ROYAL SHAKESPEARE COMPANY THE MERCHANT OF VENICE (approx. length 3 hrs). Seats avail tonight 7.30, tomor 2.00 pm & 7.30 pm. In repertoire with TROILUS AND CRESSIDA (next perf 5 Aug). AS YOU LIKE IT (next perf 7 Aug). Prestel 22023. Group Sales 379 6061. RSC also at Warehouse/Piccadilly/Fortune.

AMBASSADORS. S CC 836 1171. Evs 8.00. Tues Mat 3.0. Sat 5.30 and 8.30. OVER 250 PERFORMANCES. RECORD-BREAKING RUN of J. B. PRIESTLEY'S Mystery Play DANGEROUS CORNER. Acclaimed revival of Priestley's most popular play. Seat prices from £3.00.

APOLLO. Shaftesbury Ave. S. CC. 437 2663. ONE NIGHT STAND. A new comedy musical by Mike Harding. Evgs Mon-Fri at 8.0. Matinee Wed at 3 pm. Sat at 5 pm and 8.15 pm.

ARTS THEATRE (Gt. Newport St., WC2). 01-836 3334-2132. Red Price Prevs from Today at 8.00. ALL SEATS £3. Opens Aug 3 at 7.30. Sub Evgs 8.00. RICHARD HUGGETT as EVELYN WAUGH in A TALENT TO ABUSE. An Original One Man Play.

CAMBRIDGE THEATRE. 01-836 7040. 6056 Evgs 8.00. Sat 6.00 & 9.00. Late Show Fri 10.30. The Entire American Company Direct from New York in ONE MO' TIME. THE GREAT NEW ORLEANS MUSICAL ONE MO' TIME IS A GOOD TIME! Group Bookings 01-839 3092. Ring Teledata 01-200 0200 for instant confirmed CC bkgs—24 hrs personal service available. Opening Dec 18th for the Xmas Season JON PERTWEE, UNA STUBBS, GEOFFREY BAYLDON in WORZEL GUMMIDGE. A new Musical based on the Famous Television series. Tel 01-836 1488.

CHICHESTER Festival Theatre. 0243 78131-2. Season sponsored by Martini & Rossi Ltd. THE MITFORD GIRLS Ton't 7.30. Tomor 2.30.

CRITERION. S 930 3216. CC 379 6565. Grp Bkgs 836 3962. Mon to Thur 8.00 Fri & Sat 6.0 & 8.45. STALLS FROM £2.90. Dario Fo's farce CAN'T PAY? WON'T PAY!

DOMINION Tott. Court Rd. (580 9562). Eves 8.00. Sat 3.00 & 8.00. Until Aug 22. Direct from China. CHINESE ACROBATS. 60 of the world's greatest acrobats. Credit Card 01-439 3371.

DRURY LANE, Theatre Royal. Tel 836 8108. THE BEST LITTLE WHOREHOUSE IN TEXAS. Eve Mon to Thur 8.00. Fri and Sat 5.30 and 8.30. Group sales 379 6061. LAST WEEKS—MUST END AUGUST 22.

DUCHESS. S & CC 836 8243. Eves 8. Wed 3. Sat 5.30 & 8.30. Francis Matthews, George Sewell, Lynette Davies THE BUSINESS OF MURDER.

FORTUNE, Russell St., WC2. S CC Box Office Tel 01-836 2238. THE ROYAL SHAKESPEARE COMPANY in PLEASURE AND REPENTANCE. SEATS AVAILABLE Today 5.30 & 8.30. An entertainment of words-music about the art of Love, with Tony Church, Susan Fleetwood, Adrian Harman, Michael Pennington. In Rep with THE HOLLOW CROWN (next perf Mon). Group Sales 379 6061. Student tickets £3 on the day.

GARRICK. S. CC. Box Off. tel 836 4061. MIKE LEIGH'S SMASH-HIT GOOSE PIMPLES. MON-SAT 8.00 pm. SAT [illegible] 6061.

GLOBE. [illegible] ALEC McCOWEN in [illegible] GOSPEL. Tues-Sat [illegible] at 4.00 [illegible] £5.50 [illegible] £4.50. [illegible] LATE-COMERS NOT ADMITTED UNTIL INTERVAL. [illegible]

GREENWICH. [illegible] Eves 8. Sat 5 & 8. JULY 27 FOR 4 WEEKS ONLY. [illegible] PETER GILMORE, [illegible] PHILIP BOND [illegible] in THE KILLING GAME.

HAYMARKET THEATRE ROYAL. 930 9832. [illegible] MICHAEL [illegible] CAR- [illegible] comedy [illegible] A new [illegible] Mon- Sat 8.0 [illegible] Sat at 4.30 pm.

HER MAJESTY'S [illegible] CC 930 4025-6. [illegible] Evs 8.0. Sat Mats [illegible] in the National Theatre's [illegible] winning International [illegible] AMADEUS by PETER [illegible] PETER HALL.

KINGS HEAD [illegible] Tomor Dnr 7. Show [illegible] musical set in H[illegible]

LONDON [illegible] FESTIVAL OF THEATRE [illegible] 01-222 [illegible] Info [illegible] Lyric, [illegible] BRAZIL [illegible] Half [illegible] (Old Tricycle), HOLLAND [illegible] MALAYSIA [illegible] (Tricycle), POLAND [illegible] (ICA), [illegible] ICA). Full programme [illegible]

LONDON [illegible] 7373. MICHAEL [illegible] Broadway Musical [illegible] Mats Wed and [illegible] Barnum Hotline [illegible] 1961 for Instant credit card [illegible] MATINEE TOMORROW [illegible] DOORS.

LYRIC. S. CC. 437 3686. Grp Sales 379 6061. Previews from 5 August at 8.00. Opens Aug 11 at 7.00. John Standing, Estelle Kohler, Hugh Lloyd in Noel Coward's TONIGHT AT 8.30.

LYRIC HAMMERSMITH. CC 01-741 2311. 5 to 15 Aug LIFT presents the magnificent Brazilian Company MACUNAIMA—immense, stunning, inventive. Booking now open! CHAPTER TWO Neil Simon's autobiographical comedy with MAUREEN LIPMAN. From 20 Aug. LYRIC STUDIO: Last 2 perfs! Ton't, Tomor 8.00. BLUE DOT DISEASE—a mad summer revue. All seats £2. From 6 Aug JELLY ROLL SOUL—an impression of the life of Jelly Roll Morton with live music.

MAY FAIR THEATRE Stratton St. W1. CC 629 3036-7. Grp Sales 379 6061. CAPITAL RADIO SUMMER CELEBRITY SERIES. Last Perfs. Evgs 8.30 Ton't. ANN FIRBANK, POLLY JAMES, BARRY FOSTER, DAVID KING in LET THERE BE LOVE an anthology by Godfrey Smith. Tcmor (last perf) ANNETTE CROSBIE, TIMOTHY WEST, ROGER WALKER in BEHIND OUR SCENES. £2.50, £4.00, £5.50, £6.50.

NATIONAL THEATRE 'S' 928 2252. OLIVIER (open stage) Ton't 7.15 Tomor 2.00 & 7.15 A MONTH IN THE COUNTRY by Ivan Turgenev trans by Isaiah Berlin. LYTTELTON (proscenium stage) Ton't 7.45 WHO'S AFRAID OF VIRGINIA WOOLF? Edward Albee. COTTESLOE (small auditorium—low price tkts) prevs from Tues next THE MAYOR OF ZALAMEA by Calderon trans by Adrian Mitchell. Olivier-Lyttelton Summer Standby: any unsold seats £3.50 (mid-week mats £2.80) from 10 am on day. Car park. Restaurant 928 2033. Credit card bkgs 928 5933. NT also at HER MAJESTY'S.

NEW LONDON THEATRE. CC Drury Lane London, WC2. 01-405 0072 or 01-405 1567. Booking now until Feb 1982 (nearest Underground Covent Garden). Evenings 8.0. Tues and Sat 3.0 and 8.0. Credit cards and telephone bookings from 9 am. CATS THE ANDREW LLOYD-WEBBER-T. S. ELIOT MUSICAL. ADDITIONAL BOX OFFICE (at normal theatre prices) The Ticket Centre (next to Wyndham's Theatre) St Martin's Court Charing Cross Road London WC2. 01-240 2150. Group sales 01-405 0075 or 01-379 6061. LATECOMERS WILL NOT BE ADMITTED WHILST AUDITORIUM IS IN MOTION. Prompt arrival is therefore requested. BARS OPEN 1 HOUR PRIOR TO PERFORMANCE.

OPEN AIR REGENT'S PARK CC S 486 2431. MUCH ADO ABOUT NOTHING with Gary Raymond, Kate O'Mara tonight & Sat 7.45. ANDROCLES AND THE LION Mat Sat 2.30.

PALACE. S CC 01-437 6834. RODGERS & HAMMERSTEIN'S OKLAHOMA! Evgs 7.30. Mats Wed and Sat 3.00. Group bookings (01-379 6061). Better selection of seats available Mon-Thurs.

PICCADILLY. S 437 4506. CC 379 6565. Group bkgs 01-379 6061, 836 3962. Mon-Fri 8. Mats Wed 3. Sats 6, 8.40. Stalls from £2.90. Students £2.90 in advance (ex Sat eve). Show lasts 2 hrs 10 mins. ROYAL SHAKESPEARE CO. in Willy Russell's new comedy EDUCATING RITA. Comedy of the Year SWET Awards 1980. RSC also at Aldwych-Warehouse.

PRINCE EDWARD, Old Compton St., W1. S. CC. Box Office 437 6877. CC Hotline 439 8499. Group sales 379 6061. Evgs. 8.00. Mats Thurs (Economy Price) and Sat 3.00. Eve Perfs end 10.15. EVITA by Tim Rice and Andrew Lloyd-Webber. Dir. Hal Prince. Seats from £3.50.

PRINCE OF WALES THEATRE. 930 8681. Credit Card bookings 930 0846. PAUL DANIELS in IT'S MAGIC. Mon-Thurs 8.00. Fri and Sat 6.00 and 8.45. From August 3rd Mon-Thurs evgs 7.30, Fri & Sat 5.30 & 8.00. Group sales 379 6061.

QUEEN'S. S. CC. 01-734 1166. Evenings 8.0. Mat Wed 3.0. Sat 5.30 & 8.30. EDWARD FOX, ROBIN BAILEY, JAMES GROUT and PRUNELLA SCALES in QUARTERMAINE'S TERMS. A new play by SIMON GRAY. Directed by HAROLD PINTER.

RAYMOND REVUEBAR. CC 01-734 1593. At 7.00, 9.00 and 11.00 pm. Open Sun. PAUL RAYMOND presents THE FESTIVAL OF EROTICA. New Acts, New Girls, New Thrills. 23rd sensational year. Fully air-conditioned.

ROYAL COURT. S CC 730 1745. World Premiere RESTORATION. Written and Directed by Edward Bond. Music by Nick Bicat. Evgs 7.30 sharp. Mat Sat 3.30.

ROYAL COURT THEATRE UPSTAIRS. 730 2554. TO COME HOME TO THIS by Carol Bunyan. Evs 8.0.

SAVOY. CC 01-836 8888. For Credit Card bookings ring 930 0731 (4 lines) (9.30-6.00. Sats 9.30-5.30). Evs 8.00. Mats Thurs 3.00. Sats 6.00 and 8.45. GERALD HARPER in FRANCIS DURBRIDGE'S New Thriller, HOUSE GUEST with PHILIP STONE.

SHAFTESBURY. CC. Shaftesbury Ave., WC2. Box Office 836 6596 or 836 4255. Credit card bookings 930 0731 (4 lines). 9.30-6.00 379 6565. Sats 9.30-4.30. Group bookings only 01-839 3092. MARTIN SHAW, GEMMA CRAVEN in THEY'RE PLAYING OUR SONG. Prices Stalls, Royal Circle £8.00 £6.50. £5.00. Circle £3.50, £2.50. OAPs £4.00 (Wed Mat only best seats. Students standby £4.00). Evgs 8.00. Mats Wed 3.0. Sat. 5.00 and 8.30.

ST. MARTIN'S. CC 836 1443. Evgs 8.00. Tuesday 2.45. Saturday 5.00 and 8.00. Agatha Christie's THE MOUSETRAP. World's longest-ever run. 29th Year. SORRY. We never do reduced prices. Theatre fully air-conditioned.

STRAND. CC 01-836 2660-4143. 8.00. Mats Thurs 3.00. Sats 5.30 & 8.30 (from Sept 12 Sats at 5.00 & 8.00). 11th HYSTERICAL YEAR OF THE LONGEST RUNNING COMEDY IN THE WORLD! NO SEX PLEASE—WE'RE BRITISH. 2 hrs of non-stop laughter! Directed by Allan Davis. Group sales Box Office 01-379 6061.

TALK OF THE TOWN. CC 01-734 5051. For reservations—or an entry. London's greatest night out from 8 pm. 5 HOURS OF TOP ENTERTAINMENT. At 9.30 THE TALK OF THE TOWN GALA GALAXY REVUE. At 11 pm WALL STREET CRASH. Dinner. Dancing. 3 bands.

THEATRE ROYAL Stratford E15. 534 0310. Neil Dunn's highly acclaimed STEAMING. Must End August 15. Evgs 8.0. 20 mins from Oxford Circus on Tube.

VICTORIA PALACE. CC 01-828 4735-6. 01-834 1317. Evs 7.30. Wed and Sat 2.45. Group sales 01-379 6061. ANNIE.

VAUDEVILLE. S. CC 01-836 9988. Evenings 7.45. Matinees Wed 2.45. Sats 4.00. DONALD SINDEN, Dinah Sheridan, Gwen Watford, Polly Adams in PRESENT LAUGHTER by Noel Coward. Group sales office 01-379 6061.

WAREHOUSE. Donmar Theatre, Earlham Street, Covent Garden. Box Office 836 6808. ROYAL SHAKESPEARE COMPANY THE FOREST by Ostrovsky. Tonight 7.30 pm. Few returns may be available. Next perf. THIRTEENTH NIGHT 5 Aug.

WHITEHALL. Box Office Tel 01-930 6692. 01-930 8012-7765. New Credit Card lines 01-930 6693-6694. Whitehall's latest farce ANYONE FOR DENIS? by JOHN WELLS. Directed by DICK CLEMENTS. Mon.-Sat. Evgs. 8.15. Sat. Mat. 5.00.

WINDMILL. CC 01-437 6312. Twice nightly Mon.-Sat. 7.00 & 9.00 pm. Sun. 6.0 & 8.0 pm. Paul Raymond presents RIP OFF! Hotter than ever for 1981. The erotic experience of the modern era. 5th great year.

WYNDHAM'S. S 836 3028. CC 379 6565. Groups 836 3962. Mon-Fri 8.0. Sat. 6.0 & 8.45. Runs 2 hrs. Belt and Braces in Dario Fo's ACCIDENTAL DEATH OF AN ANARCHIST.

YOUNG VIC. 928 6363. Evgs. 8.0. Sat. 5 & 8. All seats £2.30. CHILDE BYRON. Last 3 Weeks. Now Booking.

CINEMAS

CLASSIC ENTERTAINMENT
Teledata 01-200 0200

CLASSIC 1, 2, 3, Haymarket (Piccadilly Circus Tube). 01-839 1527. 1: THE GREAT MUPPET CAPER (U) in Dolby Stereo. Progs 2.35, 5.10, 7.45. 2: EXCALIBUR (AA). Progs 1.40 (Sun from 2.10), 4.40, 7.40. 3: Walt Disney's FANTASIA (U). Progs 2.00, 4.45, 7.35.

CLASSIC 1, 2, 3, 4, 5 Oxford St. 01-636 0310. Opp Tottenham Crt. Rd. Tube. Fully air-conditioned. 1: TIME BANDITS (A). Progs 1.10, 3.30, 5.55, 8.20. 2: CLASH OF THE TITANS (A). Progs 12.50, 3.10, 5.30, 8.00. 3: HERBIE GOES BANANAS (U). 1.00, 3.40, 6.20, 9.05. FLASH THE TEENAGE OTTER (U). 2.35, 5.20, 8.00. 4: CAVEMAN (A). Progs 1.30, 3.40, 6.00, 8.20. 5: AIRPLANE (A). Progs 12.45, 2.45, 4.45, 6.45, 8.45.

CLASSIC 1, 2, 3, Central Cross, Tottenham Crt. Rd. 01-636 6148. 1: Disney's CONDORMAN (U) in Dolby Stereo. Progs 3.35, 5.15, 7.45. 2: S.O.B. (AA). Progs 1.40 (not Sun), 3.55, 6.10, 8.30. 3: THE GREAT MUPPET CAPER (U). Progs (2.00 not Sun), 4.10, 6.25, 8.35.

CLASSIC, Leicester Square. 01-930 6915. THE CANNONBALL RUN (A). Progs 1.00 (not Sun), 3.20, 5.40, 8.00.

CURZON, Curzon Street, W1. 499 3737. Truffaut's THE LAST METRO (A). Film at 12.15 (Sat only), 3.0, 6.0 & 8.30.

ODEON HAYMARKET (930 2738-2771). CHARIOTS OF FIRE (A). Sep Progs Wks 2.25, 5.50, 8.55. Sun 4.30, 7.45.

ODEON LEICESTER SQUARE (930 6111). FOR YOUR EYES ONLY (A). Sep Progs Drs Open Dly 12.15, 3.45, 7.30. Late Night Show Thurs-Sat Drs Open 11.15. Seats Bookable In Advance At Box Office Or By Post.

ODEON MARBLE ARCH W2 (723 2011-2). Walt Disney Productions' CONDORMAN (U) starring Michael Crawford. Sep Progs Drs Open Dly 1.00, 4.00, 7.30. Reduced Price for U16's.

PRINCE CHARLES, Leic. Sq. 437 8181. British Premiere Presentation CALIGULA (X). Sep Perfs Dly (inc Sun) 1.30, 4.40, 7.50. Lte Show Fri & Sat 11.05. Seats Bkble. Lic'd Bar.

STUDIO 1 & 2 Oxford Circus. 437 3300. Lic'd Bar. 1. EXCALIBUR (AA). Progs 1.40, 4.45, 7.45. Lte Show Fri & Sat 11.00. 2. SUPERMAN II (A). Progs 12.25, 2.45, 5.30, 8.15. Lte Show Fri & Sat 11.00.

FINANCIAL TIMES

PUBLISHED IN LONDON & FRANKFURT

Head Office: The Financial Times Limited, Bracken House, 10 Cannon Street, London EC4P 4BY. Telex: 8954871. Telegrams: Finantimo, London. Telephone: 01-248 8000. Frankfurt Office: The Financial Times (Europe) Ltd., Frankenallee 68-72, 6000 Frankfurt-am-Main 1, West Germany. Telex: 416193. Telephone 75981. Editorial: Frankenallee 71-81. Telex: 416052. Telephone 7598 236.

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هكذا من الأصل

THE ARTS

Cinema

Saturday matinee stuff

by NIGEL ANDREWS

Raiders of the Lost Ark (A) Empire
The Great Muppet Caper (U) Odeon St Martins Lane
The Mouse and The Woman (AA) ICA

"Asps. Very dangerous! You go first."

Raiders of the Lost Ark is filmed in a joyous, idiot shorthand that is the apotheosis of the comic-strip adventure. Set in a world where ancient temples are strewn with poisonous serpents, South American jungles hum with tropic menace, slinky adventuresses prop up Nepalese bars, and mad dogs and Egyptologists go out in the midday sun, the film puts on screen the cinema's very own version of a Royal Wedding: splicing at the altar of high hokum the two current kingpins of Hollywood. Steven *(Close Encounters)* Spielberg who directed and George *(Star Wars)* Lucas who co-wrote and co-produced.

Concocted as a series of ripely fantastical cliffhangers, Saturday matinee movie-serials strung end to end, the film escorts its hero Indiana Jones (Harrison Ford from *Star Wars*) from introduction as a humble archaeology professor at a US college into the jaws of a death-or-glory mission to recover the Ark of the Covenant, no less, which is buried somewhere in the Middle Eastern sands and competitively coveted by the nasty Nazis. (The time is 1936). "The army that carries the Ark before it," says someone darkly, "is invincible."

Lucas and Spielberg are both in their mid-30s—part of the *new* generation of "Hollywood Brats" who grew up as children with the wonders of early 1950s cinema, when there was still *sap* in post-war euphoria and when that feeling, united with a sudden flurry of technical advances, turned cinema-screens into a playground of marvellous Manichean simplicity—heroes and villains and nothing in between—whipped up in a syllabub of wide screens and wild colour. The 15 years of relative visual deprivation that followed the 1950s, with the dying of the epic and the rise of realism as Undergound directors first poked their legitimised lenses above-ground and TV became the other major supply-line for film directors, were all the now grown-up "Brats" needed to bounce into a spectacle-starved industry in the mid-70s and take it by storm.

Raiders of the Lost Ark is the *ne plus ultra* of the exploding-toyshop film: a genre that has given us *Jaws, Star Wars, Close Encounters, 1941* and even, for all its philosophic window-dressing, *Apocalypse Now.* You will scan these films vainly for "human interest." They're high - adventure light - shows: free-association romps *through* the action-cinema Unconscious, peopled by characters in uncompromising shades of Black and White and plotted as trip-hammering assault - courses through near-impossible hazards and obstacles.

Raiders begins *with a perilous* raid on a booby-trapped Mayan temple (complete with lunging spears, rattling skeletons, *pursuing boulders and* high-speed stone portcullises); returns briefly to America to expound the plot and introduce *our hero (Harrison Ford sporting* Clark Kent-ish spectacles and an air of diffidence that one knows are planted on him *purely to be dashingly discarded*); then charges off like an electrified cheetah into an adventure that spans the Himalayas, *Egypt and the Indian* Ocean, car chases, explosions, whirling dervishes and a climactic sabbath of airborne spooks over a Pacific island.

This epic of what John Masefield once dubbed ODTAA (One Damn Thing After Another) is compulsively paced and tricked out with grand action scenes and hair-trigger comic asides alike. One moment the film is gently spoofing the ogre of Nazi menace as Ronald Lacey's leather-greatcoated Gestapo man, entering the tent where our *heroine* (Karen Allen) is held captive, brings out a rod-and-chain which after a few threatening twists turns *out to* be—a portable coat-hanger. Another moment the film is hauling us helter-skelter over a hot desert road as our *hero flees the Germans in a* truck carrying the Ark.

Good-natured and completely delirious in its cinematic elan, *Raiders of the Lost Ark* may be a point of no return in modern cinema. (How could any adventure be faster or more action-packed?) If so, resist not but relish it while it's here—it's pure delight at 24 frames a second.

Charles Grodin and Diana Rigg with Muppet friends

★

The Great Muppet Caper is the second film based on the *immortal* antics *of that* TV menagerie spearheaded by a vainglorious lady pig and a long-suffering actor-manager frog. *It is also—and alas—the second* demonstration that the Muppets' charm doesn't survive being uprooted to the big screen. *The Muppet Show thrives on its air* of disaster-prone vaudeville: the Kamikaze sketches, the embarrassed but ever-game guest-*stars, the heckling oldsters in* their box. Removed from their demented weekly rituals and let's-keep-the-show-going frenzy, *the characters seem lost* and de-energised.

In *The Great Muppet Caper* they find themselves inadvertently caught up in a big jewel robbery and in the machinations of millionairess Diana Rigg and her thief-brother Charles Grodin. The film tries its hardest to turn every slapstick climax and every song-and-dance — from tapdancing rats to a car-chase with Miss Piggy manning an outsize truck and a CB radio — into a show-*stopper. But the problem is that* the show never starts. In the familiarity - breeds - content world of the Muppets, it's hard *to enjoy an hour-and-a-half in* their company without once seeing Kermit erupt into one of his paroxyms of web-pawed applause: or Statler and Waldorf scoff cantankerously from their box: or Miss Piggy bob down from her dressing-room to effect *one of those* immemorial Jekyll-and-Hyde transformations from fluty insouciance to Karate machismo.

★

Karl Francis's *The Mouse and the Woman* is a rickety adaptation of a Dylan Thomas story; unfolding in dourest Wales where, shortly after World War I, beautiful upper-crust Gilda (Karen Archer) falls into the arms of salt-of-the-earth worker-poet Morgan (Dafydd Hywel) while her wheelchair-bound mine-owning husband Edward (Alan Devlin) tut-tuts into his moustache and has industrial problems. Feelings come to a *head when Morgan* joins the rebellious miners and Gilda tells Edward all. Will he (Edward) forgive? Will she *(pregnant Gilda)* abort? Will wracked and unpredictable Morgan go mad?

Oscillating bizarrely between *How Green Was My Valley and Lady Chatterley's Lover,* this peculiarly appalling film is directed with a rictus of high *solemnity by Mr Francis, who* made the grave and decent *mining documentary Above Us The Earth.*

** Next week Nigel Andrews will give his tribute to William Wyler, who died this week.*

Finnish Festivals—1

Savonlinna opera

by DAVID MURRAY

The opera festival at Savonlinna, a resort town *amid the* south-eastern lakes of Finland, is firmly established in the musical calendar. At this time of year there are perhaps three hours of something like darkness; the charming prospects of the place—a chain of islets and isthmuses linked by bridges over blue water, lakes alternating with green coniferous slopes all round the horizon—glow through the white nights. (They drew regular visitors from St Petersburg long before the attraction of summer opera was added.) These are not natural waters for the Flying Dutchman, and it must be said that Savonlinna made heavy weather of Wagner's opera, the new production this year. *Taikahuilu*—otherwise Mozart's *Die Zauberflöte,* a long-running Savonlinna favourite—has sprung leaks, but remains buoyant.

On the night I saw *Fliegende Holländer,* near the end of the season, the weather was sensationally heavy. The operas are staged in the courtyard of the ancient Olavinlinna castle, lightly roofed over with strips which let in light and air; over Act 2 a colossal storm broke, lending fulminous drama to a performance with little of its own. It continued into Act 3: the shock-silences that should meet the great choral shouts to the Dutchman's invisible crew were thunderously cancelled. The singing was never threatened, thanks to the excellent acoustic of the arena—not even what came from the over-parted soloists. The magnificent Savonlinna chorus must be proof against anything, with their youthful power and ringing unanimity, and they made uncommonly convincing sailors.

Still, Act 1 could have done with a dose of lightning. It was said that the producer Ilkka Bäckman's original intentions were disrupted by Summer Time, newly introduced to Finland this year: the extended "white night" put paid to ambitious lighting effects, and he *and* his designer Juhani Pirskanen made do with cumbersome bits of ship and a mechanical transformation at *the end. (Wagner's own* proposals for the ending are doubtless risible and plain unfeasible, but something catastrophic and/ *or elevating is really essential.)* The arrival *of* the Dutchman, whom they kept stiff-legged in black leather, might still have been carried off by a baritone with an imposing presence; with Reino Lauanne's Dutchman, not very badly sung, presence was a vanishing quantity. This was his one appearance, by the by—Savonlinna has been playing turn-and-turn-about with its *casts to the point of reckless*ness, for the dramatic consistency of performances must surely suffer.

Of the cast who had opened the Festival with *Holländer,* only two remained. One was the *Daland,* palpably too rough, too young and too green. The other, much more understandably, was Seppo Ruohonen as Erik, generally accounted a thankless role: Ruohonen struck an authentically heroic note in it. This was stylish singing of an impressive order, with a robust intensity that brought the proceedings to sporadic life. Taru Valjakka (warmly remembered in Sallinen's *Red Line)* might have done as much with her Senta—stern directness and a courageous attack—if the part lay more comfortably for her voice; at any rate it was an honourable impersonation. There was a vocally threadbare Mary, and a heftily-sung Steersman who missed the poignant vein in his ballad.

The orchestra sounded well enough under Ilpo Mansnerus; granted that the vast arena thinned out Wagner's most *atmospheric string - efffects.* Respectable tempi; Mansnerus disclosed a useful earthy quality in the familiar sailor's chorus *by taking it rather below the* usual speed—not the only place in which he struck through the often-conventional surface of *the music and found something* more pungent and original. With the limits of the production and the cast, however, a *dreadfully temperate climate* prevailed.

Die Zauberflote was distinguished by its Pamina, its Sarastro and its engagingly cheerful maner. August Everding returned this summer to retouch his old production; a brisk and colourful affair, it fudges a number of details that ought to be sacrosanct — the animals *must* not troop on before Tamino has begun to play his flute, for example, and the point of the "Pa-pa-pa-pa" duet (which is, of course, that the characters are stammering with joy) *must* not be spoiled by a hopping-dance routine for Papageno. But all the intentions are manifestly affectionate, and they were rendered this time by a decently consistent cast. If the *Starblazing Queen's* first aria crumpled sadly (as it often does), Julie Griffith had a plucky shot at the second, the unfunny Papageno, Tero Hannula, offered sturdy musicianship without much variety, yet, and a saving confidence. Tamino sighed romantically in Kimmo Lappalainen's soft-grained tenor. The Papagena was audible only when she was revealed as a young girl and emitted an unpleasing, gratuitous trill. Heikki Keinonen was a persuasive Speaker.

Pamina was Aulikki Eerola, frail and fair. Lovely tone, if whitish, and her authority developed as the performance went on; with a firmer conductor "Ach, ich fühl's" would have made a powerful impression—there as *in other passages* of the score (especially the Bach-influenced ones) which want a severe tread, Ulf Söderblom's beat was too loose. One imagines a considerable potential yet to be tapped in this interesting soprano. Jaako Ryhänen was a *smaller-voiced* bass than many a Sarastro, but with a compensating dignity, and he phrased his noble paragraphs with perceptive maturity. The Savonlinna chorus made as splendid a noise as one hoped at their every appearance.

Söderblom bustled the score along, always in the friendliest way, but without scotching the *suspicion that* a more sophisticated Mozartean at the helm could steer the whole performance into deeper and more interesting waters. Those seemingly innocent little passages which, over the years, one comes to recognise as nodes of the musical action were too often just played through, without the tender deliberation they deserve. A better ear for balance and ensemble would help: the succession of priestly chords sounded indistinguishably similar, the tenor Armed Man overwhelmed not only his bass colleague but also the hero and heroine when the duet became a quartet, and the rather good Three Ladies sang only approximately together. A fine principal flute was a special grace of the *performance — appropriate* enough for so light and amiable a *Zauberflöte.*

Watermill, Newbury

Rosmersholm

by MICHAEL COVENEY

The Watermill Theatre in the Berkshire village of Bagnor, three miles from Newbury, is a mini-Glyndebourne. The restaurant *is in the old barn, the* auditorium, with room for 170 people, in the old stables. The Gollins family has just sold the property *to Andrew Lloyd* Webber but, for the moment, one of them is on hand to organise the car park.

The actors live in the house, sharing a kitchen and, in this third and final year of Michael Elwyn's artistic directorship, ploughing through a formidable summer repertoire of Alan Bennett, Ayckbourn, Stoppard and Ibsen. *Rosmersholm* is an apt, if not ideal, choice because the theatre is built over a mill. Rosmer's wife's fateful plunge into the *mill-race,* a sombre *leitmotif,* is given audio-visual reality by the rushing water at the back of the stalls. On a *pocket handkerchief* stage (only 20 feet wide and five yards deep) this effect reinforces the stark, chamber qualities of the *production.*

If the actors are physically constricted, this of all Ibsen's plays does *not* resist *static* presentation. Rosmer's grim ancestors populate the walls of Annette Sumption's tidy set, *peering through the mists* of linking snippets from the Sibelius Violin Concerto. The beautiful film actress Catherine Schell is wrapped up in some lovely costumes as Rebecca West, the emancipated woman with whom the apostate Rosmer now shares his home, if not his life.

The casting of Christopher Neame as Rosmer ensures the crucial possibility of passion entering the lists. Neame's features are handsome but faintly vampiric, giving an interesting new slant to the man's sexual conduct. The couple, like the moralising Canute of John Barcroft's temperate Dr Kroll, are at the social psychological crossroads.

Ibsen's *analysis* of private gesture in a climate of hostile public opinion is endlessly fascinating; the play unleashes *a series of powerful* contradictions, such as the reluctance of the liberal newspaperman Mortensgaard (played with *toadying insouciance* by Roland Oliver) to admit aberrations of private morality into the brief of a progressive movement. And the *strange irruptions of* Rosmer's alcoholic old tutor, Ulrik Brendel, carry full mysterious weight in the performance of John Hughes.

Admittedly the final scenes, always difficult, wander dangerously close to Rattiganesque parody (*Mr Neame is* wrong, surely, to make flippantly light of a line like "The task of making the world noble is not for me"), but *the show,* directed by Michael Elwyn, has gathered sufficient force to drive powerfully on to the melodramatic conclusion.

Albert Hall/Radio 3

Wedding fireworks

Other pyrotechnomanes like *myself may also have* found that the only real disappointment of the wedding celebrations was the firework display in Hyde Park on Tuesday night—advertised as the biggest (and certainly the most expensive) display ever to be mounted in London, it turned out to be far less imaginatively conceived than the Jubilee fireworks on the Thames four years ago, and a good deal less spectacular than any medium-sized Italian town regularly provides for its annual *festa del patrono at a fraction* of the cost. To all but a tiny fraction of the half-million-strong live audience the much-vaunted "musical accompaniment," needless to say, was also inaudible. Not a damp, but a dull squib indeed: *the* designer concerned should have his credentials examined (An Italian *artificiere* might also have known enough Latin to correct "*vivat* Charles Diana" to *vivant.*)

By way of musical compensation, the wedding-day Prom the following evening offered some apt and pungent aural fireworks of its own. (The BBC's Controller of Music, Robert Ponsonby, tells us in his prospectus that the announcement of the wedding date gave just enough time to change the rather inappropriate programme, originally to have included a performance of Prokofiev's *The Ugly Duckling,* to one more suitably nuptial.)

Les Noces was an obvious, and happy choice. Under Gennady Rozhdestvensky the BBC Singers, with four pianists, six *percussionists and* a good team of soloists (Price, Buchan, Langridge and Rippon) gave a vigorous account of Stravinsky's urgent, earthen *ritual.* (How still more richly fleshed, I have always thought, in spite of the wholly unsuitable acoustic, *Les Noces* would sound in St. Paul's.)

The evening ended with Mendelssohn's *incidental* music to *A Midsummer Night's Dream*—whose Wedding March has been a favourite of brides ever since Queen Victoria's daughter, the Princess Royal, used it at her wedding to the Crown *Prince* Frederick William *of* Prussia in 1858. But the suite as a whole is also unfairly neglected these days in the concert hall; and Rozhdestvensky directed it with all his Russian sentiments and sympathies alive—a fine performance, quick and lively, supple and sensuous, but done without any kind of vulgarity, carefully *contained.*

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Friday July 31 1981

North-South: an agenda

THIS WEEKEND foreign ministers of 22 countries are to meet in Mexico to prepare for the summit of world leaders on development issues to be held there in October. That summit is both welcome and overdue. Negotiations between developed and developing countries have become stuck in confrontation and stalemate. The Mexico meeting, proposed in the Brandt report on North-South issues, is a chance to go beyond this.

Opposed

It is valuable both because of the relatively small size of the meeting and the nature of the participants. Saudi Arabia is attending and it is crucial that its leaders should hear at first hand the problems in accommodating its capital surpluses. Also expected in Mexico is President Reagan. His administration is ideologically opposed to much of what is involved in the North-South dialogue. It has cut back on aid. In spite of all that the World Bank has done to create the conditions where investment can flourish, Washington has opposed creation of an energy affiliate for the bank and delayed replenishment of the International Development Association, the soft-loan arm of the bank, causing problems to its allies.

Nevertheless the Ottawa meeting gave the first glimpses of what could turn out to be a more open-minded approach by the Americans. President Reagan committed himself to "constructive and substantive discussions" with the developing world. He even went so far as to offer "to participate in preparations for . . . global negotiations."

Some governments would like to see the Mexico summit concentrate on giving a fresh impetus to these global negotiations at the UN. But the trouble with these negotiations, and a real ground for scepticism about them, is that they have become stalemated in generalised rhetoric between the opposing camps. If the more limited forum at Cancun in Mexico can make progress on specific issues it could help to reduce the emotional temperature in New York.

Cansun is to consider four specific areas: food, trade, energy and finance. In all these, concrete problems have to be tackled. A new international grains agreement is needed, and U.S. hesitancy on this score has to be overcome. An international emergency food reserve should be built up and a global food security agreement negotiated, focusing on the problems of the poorest countries. The development of agriculture in developing countries needs to be given high priority, not least by the governments of those countries.

In the field of trade, the struggle against protectionism must be continued. The developed world needs to look at such matters as the way its tariffs rise with the degree of processing of the good involved, discouraging third-world industry. The developing countries should take note of the relative economic success enjoyed by those among them which have followed open trading policies. In energy, backing should be given to the proposal, endorsed at Ottawa, that the developed world and oil producers should back arrangements to promote energy exploration and development in Third World countries which do not export oil.

Finally, there is the crucial question of finance. Many poor countries need better access to the markets. The U.S. should be encouraged to join efforts to expand the role of the World Bank and International Monetary Fund. Both have more than proved their worth and responded, if slowly, to the greatly increased demands on them. But the Bank needs more capital. It should be allowed to increase its borrowing-to-capital ratio from the present 1:1.

Endorsed

Most of these ideas are endorsed by the recent report by the Foreign Affairs Committee of the Commons. This report has been broadly welcomed by the British Government, but what the Government has tended to play down is the role which Britain could, and indeed should play. Britain has the presidency of the EEC at a time when some of its leaders are increasingly concerned about the Third World. It also has a special place in the Commonwealth and is coming to Mexico after the Melbourne meeting of heads of government of the Commonwealth. Further it is a country which has more chance of being listened to by the Americans than most others.

This weekend's meeting is an opportunity for steering the North-South dialogue away from rhetoric and unrealistic expectations towards practical measures from which both developed and developing countries can benefit.

The challenge of training

THE Manpower Services Commission's review of industrial training arrangements takes the discussion of this important matter several steps forward, but it does not conclude it. As the MSC emphasises, the detailed decisions about what training arrangements should be made in various industries and about whether these should be statutory or voluntary are only part of the broader question of what action the Government, employers and trade unions will have to take in order to meet the objectives outlined in the Government's New Training Initiative. These are to reform the apprenticeship system, to extend vocational training to a much higher proportion of young entrants to the labour force and to increase greatly the opportunities for adult retraining.

The improvement of the general standard of training of the British workforce is a very much more important issue than the question of voluntarism or compulsion. Since voluntary arrangements have not been devised in many industries, it is hard to contest the MSC's conclusion that some at least of the present statutory Industrial Training Boards should be retained even though, in some cases, this conflicts with the wishes of a majority of the industry's employers.

Abolition

The Engineering Industry Training Board, for example, is the biggest of the ITBs and a majority of members of the Engineering Employers' Federation favour its abolition. However, the EEF itself believes that there is "no possibility of a voluntary body being established to take forward the work presently done by the EITB."

Under these circumstances it seems unlikely that the nation's training effort would be enhanced by simply abolishing the Engineering Industry Training Board and putting nothing in its place. Similar considerations apply, according to the MSC, in six other sectors. In all these it is recommended that the present statutory ITBs should definitely be retained. Between them, these seven ITBs cover nearly 60 per cent of employees in all the ITB industries. In the 17 other industries covered by ITBs, the MSC has made no recommendations on whether the boards should be retained or abolished.

It remains to be seen whether the Government accepts the MSC's generally favourable attitude towards the training boards. The Government is not bound to follow the MSC's recommendations and the MSC itself stresses that its review has had to be extremely rushed because of the tight timetable imposed by the Government. What is most important about the MSC report is not its specific recommendations but the focus which it has put on the real problem of training in Britain that many industries have not been willing to take training sufficiently seriously except under government compulsion.

It may be argued that the very existence of statutory training arrangements has contributed to this indifference to training in parts of the private sector, but the MSC is surely right to argue against "a return to the regime similar to that which existed before 1964 (when the present ITBs were established in spite of the progress made since then." Industrialists who would like to see training return to a voluntary framework must now rise to the challenge offered by the MSC.

In several sectors such voluntary arrangements have already been discussed and there is no reason why they should not be finalised by October, as the MSC suggests. In others, discussions may have to go on longer: the timetable which the Government has set for reaching its final decisions on the ITBs and on the New Training Initiative is an extremely tight one.

It may be necessary for the Government to extend the period of discussion somewhat. Certainly this would be preferable to setting unrealistic deadlines and then deflating the whole debate with "holding statements" firm decisions had been expected. What should be made clear as soon as possible is that the Government accords high priority to training reform and that firm decisions, based on facts and not just on political preconceptions and vested interests, will eventually be made.

INDEX-LINKED SAVINGS

Enter the people's bond

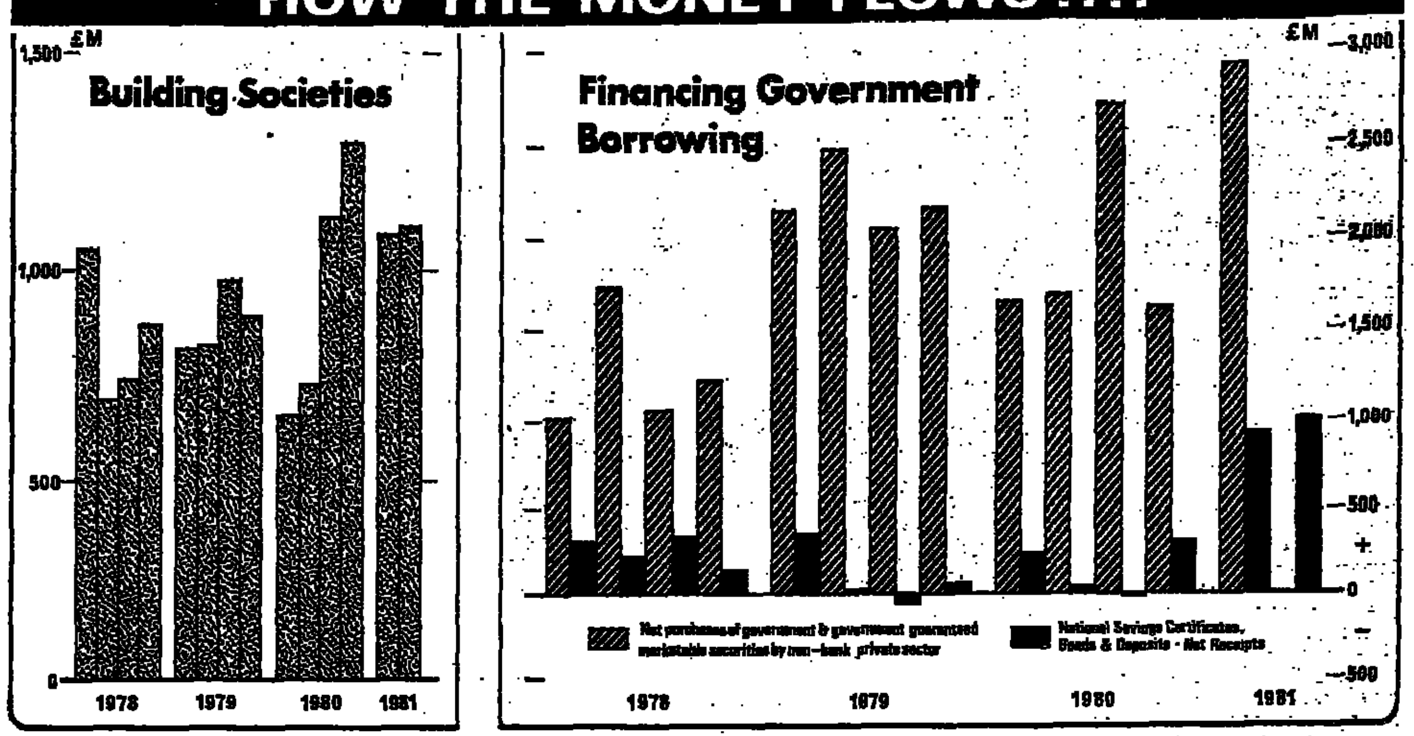
By Peter Riddell, Economics Correspondent

THE flag-waving can continue. Everyone who saves—from newly born babies upwards — has cause to celebrate. From September 7 age restrictions on ownership of inflation-proofed national savings certificates will be removed. As Mr Nigel Lawson, the Financial Secretary to the Treasury, pointed out yesterday in announcing the move, granny bonds should be renamed the "people's bond."

The implications are wide-ranging. All savers—not just those aged over 50 as now—will be offered the security of Government guaranteed protection of their capital against inflation on sums up to £3,000. Inflation-proofing is available after a year though money has to be tied up for five years to enjoy the full benefits (including a small bonus).

Savers will have to compare these attractions both against the returns offered on conventional fixed interest investments, on equities and on property, and against past and expected rates of inflation.

HOW THE MONEY FLOWS ....



Marion Sedger

The move is likely to alter the balance of flows of money in the economy — not only within the personal savings market between people's bonds and building societies, but also between the Government, City financial institutions, the banks, industry and the public. It could also have an impact on mortgage rates if the new bond siphons off money which would have gone to building societies.

The removal of all age restrictions is also a further major extension of the principle of index-linking financial arrangements. Governments of both parties and the Bank of England have moved very cautiously in this area. This is principally because of the fear of "institutionalising inflation" — of creating a position where wages and prices automatically chase each other upwards like the *scala mobile* in Italy or the combination of rapid inflation and index linking in Brazil and Israel.

The pressures for index linking in the UK built up in the early and mid-1970s with the acceleration of inflation. The first moves involved public sector and retirement pensions; at present roughly a fifth of the £100bn plus public spending budget is statutorily linked to the inflation rate.

The Labour Government took the first move into the issue of inflation-proofed national savings with the original "granny bonds" restricted to people of retirement age. The logical case for any particular qualifying age disappeared last autumn when the Government started to reduce the limit, first from 60 to 55, and then down to 50 in the 1981 Budget.

The people's bonds do not represent a topical gesture of generosity towards the middle-aged and young by the Government. Altruism is seldom high on the Treasury's list of priorities. There are specific financial reasons for the move.

The hope is that by attracting more money from national savings the Government will be able to reduce its reliance on sales of gilt-edged market. Pressure on long-term interest rates will therefore be eased and industry will be encouraged to return to the long-term capital market. All this in turn will, it is hoped, produce a slower rate of growth in the money supply.

The need for such action has arisen because of the impact of inflation on the flows between the main sectors of the economy. The personal sector has a large and growing amount of money available for investment in the rest of the economy via cash, bank deposits, building societies and so on as well as via contractual savings with pension funds and life assurance companies.

In contrast, the public sector has had a large deficit as a result of expenditure exceeding revenue. While some parts of industry (for example, GEC) have large cash mountains, other sectors have had to borrow sizeable amounts as a result of the profits squeeze.

The snag is that these flows have been matched in a way which has put maximum strain on the financial system. The Government's reliance on sales of gilts has meant a high level of interest rates. This in turn has deterred industry from raising money in the capital market via new debentures and loan stocks.

Industry has therefore had to rely on borrowing from the banks which have been the main channel for these large flows. At the same time, a sizeable part of the personal sector surplus has been deposited in the banks which for much of 1979-80 enjoyed an interest rate advantage compared with building societies.

All these pressures together have inflated the types of finance which count within the main monetary measures, sterling M3.

The Government's aim has been to take the pressure off the banks and off the gilt-edged market. This is partly by trying to ensure a more even underlying balance between parts of the economy—for example, by reducing Government borrowing and by raising taxes on the personal sector and on the financially strong North Sea and banking sectors.

The granny bonds—and now the people's bond—are part of the financial side of this attempt to achieve a better balance. They complement the Government's recent moves to replace part of their sales of fixed-interest gilt by inflation-proofed stocks restricted to pension funds (unlike you and me, these funds not only have their capital protected but also enjoyed a 2.8 per cent real rate of return on the recent issue).

For the Government these new bonds have obvious attractions in broadening the range of financing and adding flexibility.

For personal savers the bonds offer a secure inflation-hedge. However, recent figures suggest that many people are still attracted by high nominal interest rates on conventional debt which offer a yield above the current rate of inflation.

For other bodies competing with the Government for funds —whether banks, building societies or companies — the new bonds represent competition which they will find it hard to match. The immediate impact may not be revolutionary but over time the personal borrower may find that the cost of mortgages remains higher than otherwise. It is a day for celebration by the private saver rather than by the private borrower.

Now investors will be still more choosy

By Barry Riley

THE BUILDING societies are the natural targets for the Government's attempts to diversify its methods of borrowing, and the societies know it.

They also face much keener competition from the clearing banks, which are largely free from direct restraints on their lending, and are determined to regain ground lost to the building societies both by competing more strongly for personal deposits and—in a more obvious challenge—by moving aggressively into the house mortgage lending market.

In switching to index-linked borrowing, both in the short term savings market and in the long term market through the recent issues of index-linked gilts to pension funds, the Government is no doubt hoping that the eventual real cost will be lower than if it continues to bid heavily for funds through the traditional fixed interest channels.

It is, however, open to criticism that it is simply resorting to a new way of "crowding out" non-Government borrowers from the markets. For tax and other reasons, it is almost impossible for private sector capital raisers to devise competing index-linked instruments. Inevitably, the effect of widespread availability of inflation-proofed investment opportunities will be to make investors more choosy.

The impact will depend on how eagerly the under-50s grab at the chance to buy index-linked bonds. If the green light on September 7 merely leads to the extra £500m of investment envisaged by the Government in the rest of the financial year, the building societies will be able to sleep relatively easily.

At any rate, the gilt-edged market decided to greet the news yesterday with an undisguised yawn—even though the move should take some of the pressure off the long term market: gilt-edged prices moved little.

The building societies and banks are certainly entitled to argue that service and liquidity count for a lot, whereas the index-linked National Savings Certificates are at present comparatively inconvenient and restricted to a value of £3,000. It is also argued that two-thirds of building society deposits are held by the over-50s, who have already been given access to granny bonds.

But the Government has now given itself the savings instruments which, if effectively marketed at a time of anxiety about the future inflation rate, could cause major changes in the shape of the savings market.

According to the latest figures, however, the building societies continue to grow fast. After a temporary dip in the spring—around the time that National Savings was particularly competitive—the building societies, net receipts in May and June recovered to well above the corresponding 1980 levels.

In the first half of the current year, the total increase in savings with the building societies was some £3.9bn, suggesting that the 1981 total will move well ahead of the £7.16bn recorded for the whole of 1980.

Figures on the lending side are still more spectacular. In the first half of 1981 the number of loans completed by the societies has climbed by 24 per cent. In money terms, gross advances have increased by as much as 43 per cent. These figures have been achieved despite the intrusion of the clearing banks, which have taken something like a 12 per cent market share.

It is figures like these which must have encouraged the Government to go ahead with the widening of the index-linked opportunities available through National Savings. They contrast sharply with the scare talk of some leading building society officials.

A number of special factors have led to the dominant position achieved by the building societies on the savings front. The banks have frequently suffered restrictions on their ability to bid for deposits; for instance, because of the "corset" restrictions which were only dropped last year. They have also suffered from certain tax disadvantages.

Until quite recently, moreover, the National Savings movement — which included until fairly recently the Trustee Savings Bank—have concentrated on keeping down their servicing costs on existing balances rather than on bidding aggressively for new savings.

Only in the past year or so have National Savings assets been rising with any speed—and the total under the movement's control is still only about £16½bn. In contrast, the building societies have been rapidly expanding their share of the savings market and their deposits at mid-1981 have grown to an aggregate £64bn.

The political desire to encourage house ownership has over the years led successive Governments to keep their hands off the flow of short term personal savings, and to concentrate on tapping the long term flows into insurance companies and pension funds. These have added up to an even larger volume of funds than the building societies' intake, with the personal sector putting £10.8bn into such long term institutions during 1980.

But the pace of issues by the Government of gilt-edged stock, often running at more than £10bn a year net, has progressively saturated the institutions' appetites for fixed interest securities. In an inflationary period, fund managers also wish to hedge their bets by investing in a range of UK and overseas equities and property.

Recently yields on gilts have soared, almost touching 16 per cent at one stage this month. Against current inflation of some 11 per cent, the real yield is very high. It is an unacceptably high price for borrowing by a Government which is determined to bring inflation down further.

MEN AND MATTERS

Uprooted in Gambia?

Sir Dawda Jawara, the Gambian President, must have been all to well aware of the dangers of making foreign jaunts following the deposition of Dr Milton Obote by Idi Amin in 1971 and the removal of James Mancham from the Seychelles in 1977 while they were attending Commonwealth conferences. Nevertheless one can only hope that the unconfirmed reports of a coup during his Royal Wedding visit are fiction.

Gambia is one of the least expected venues for a palace revolution—there being a distinct shortage of palaces. The keynote of Jawara's rule, which began three years before independence in 1965, is its lack of ostentation, modesty and thrift.

Obvious virtues perhaps for a country smaller than Yorkshire which grows peanuts and whose most newsworthy event in recent years has been the shooting of the TV epic, Roots. However Jawara's achievements—a stable economy and a genuine democracy—have been noted admiringly abroad. He has been honoured by many African countries, and Taiwan made him a member of its Order of Propitious Clouds of China.

Ironically Jawara attempted to turn the country into a republic within months of independence, but was soundly voted down in the ensuing referendum. A Glasgow-trained vet, Jawara lives in the old seaside house used by the former colonial administrator, where he displays a very Scottish sense of canniness. He plays golf and the violin, and tends his own garden.

In a country where the vast majority of people are illiterate, Jawara introduced a voting system which allowed electors to drop a marble into a hole alongside their candidate's picture. The marble would strike a bell inside a box, with the ensuing single ring confirming to the registrar that no ballot stuffing had taken place.

Whether Jawara's modest ambitions, both for himself and his country, has proved his undoing remains to be seen. But it is hard not to warm to a vet politician who once confirmed that "When I first got into politics, I knew the cows better than the people."

Commercial art

"I think we've pretty well come to the end now, for lack of space," says Commercial Union chairman Sir Francis Sandilands, reflecting on the modern British paintings he has collected over the past decade to adorn the upper floors of the company's City headquarters.

"I wouldn't rule out the possibility that sometime or other we might decide to sell one or two and buy something else," he says, because part of the motive at least has been to try and give some encouragement to painters and I still believe that is a good objective."

Sandilands, featured in this month's Antique Collector magazine as the apotheosis of industrial and commercial patronage of the arts, started the collection soon after the company moved into the Undershaft building.

Most of the paintings—which include works by Sutherland, Hockney, Piper, Pasmore and Nicholson — were chosen, with "some haphazardness," by Sandilands and his wife and displayed at boardroom meetings for general approval. There have been no budget restrictions. The pictures are regarded as investments, belonging "to the balance sheet of the firm and not the profit and loss account."

Sandilands, who admits he would rather like to have been an architect, says that some initial scepticism among colleagues has given way to general support for arts sponsorship that has been extended into opera and ballet. "Now that there are not so many private patrons, industry ought to play its part," he says. "In the same way that every company has its straight charitable budget . . . . and apart from the advertising value, the arts should be supported."

Red leader

The internecine warfare that has broken out in the Spanish Communist Party, though hardly parallel to the battle in our Labour Party, has at least thrown up a reasonable Iberian counterpart to Tony Benn.

Nicholas Sartorius Alvarez de las Asturias Bohorques prefers, for example, to be known as Nico, which must be popular with his supporters on the progressive wing of the party.

Contradictions abound about this 42-year-old aristocrat who many believe may inherit Santiago Carrillo's shaky throne as leader of the Communists. With red hair, freckles and a considerable collection of well-cut tweeds, Sartorius could be more English than Spanish, his diffident appearance and good manners belying a tough background as a member of the clandestine opposition to France.

Born to a family of financiers, diplomats and illustrious 19th century politicians, he was for many years a part of the élite anti-Franco trade union leadership and one of the so-called Carabanchel 10—a group of labour leaders arrested in the early 1970s and amnested by Juan Carlos in 1976.

With such impeccable union and prison service credentials, Sartorius could well live down his family connections and the fact that his wife is daughter of an Italian admiral friend of the late Lord Mountbatten.

Webb weaver

The Government has made an unusually imaginative choice in picking Christopher Webb to direct its £5m project to set up work experience centres for the young jobless in the inner cities.

For more than six years, Webb has been running the Notting Dale urban studies centre in West London from which, with the help of Imperial College 18 months ago, sprang the technology centre that will be the blueprint for the new Government-sponsored chain.

Some 20 centres throughout the UK are planned to follow Webb's West London initiative in securing skilled staff, equipment, funds and advice from local companies to help youngsters learn about computers and electronics.

Former Cambridge Rugby player Webb, whose diary last week was filled with meetings with housewives and youth leaders to discuss local community projects, has spent most of this week in Whitehall. He is eager to get back to the local scene, admitting that he is far happier working on that level than with larger, bureaucratic bodies like the Manpower Services Commission.

"The efforts of small groups of people invariably work better than the often clumsy and insensitive operations of large organisations," he says. "And the success of the project will rely heavily on local involvement.

Webb has always turned to small, unofficial teams to realise his personal concern with social issues. He was director of education for Shelter and chairman of the trustees for the Covent Garden "Street Aid."

Novel approach

A Manchester company's staff magazine describes its chairman as "a man who possesses the estimable quality of directness, a man who in any argument always hits the nail on the head and comes to the point."

Observer

Michael Holman, recently in Kampala, reports that Uganda is wracked by violence, tribalism and corruption

Short of everything—including hope

ON A Sunday morning in Kampala, a stretch of the city centre road, where potholes are as big as bathtubs, is being repaired. Not in a makeshift fashion, but with mechanical equipment, asphalt and gravel chips.

It's one of the very few tangible signs that desperately needed aid—in this case, an EEC scheme to repair the city's roads—is getting through to a country caught in a vicious circle since the overthrow of Idi Amin in April 1980.

Without massive aid, an economy devastated by neglect during eight years under Amin, and further damaged during the eight-month war which overthrew him, cannot recover. Until the economy picks up and basic goods and services are restored, the Government will find it hard to win the confidence of the nation's 13m people. In the meantime, many potential donors and external investors continue to hold back, fearing for the stability of a country which has seen four administrations in 15 months.

It is barely six months since a general election brought former President Dr Milton Obote, exiled to Tanzania for nine years, back to office.

At State House, Entebbe, sitting in an open-necked shirt on rolling green lawns looking out over Lake Victoria, Dr Obote readily acknowledges that he has a formidable task ahead of him.

Government strategy, he says, is to raise prices to export crop growers and make available farm implements and materials. "*It is here that aid becomes important.* The other side is industrial production, and we need funds for spare parts and machinery."

But, he adds, "to say whether these funds are sufficient or not is to miss the point. The point is mobilisation of ourselves, so as to be in a position to absorb whatever money is available."

Most economists agree that the President has taken important steps in the right direction. His decision to float the Uganda shilling, announced in last month's budget, was both an act of political courage and a long-overdue move to handle the problem of a currency which traded at more than 10 times its official value on the widely-used black market.

Local traders *reacted* by raising prices some 50 per cent, as the official rate for the dollar shot up from eight to 70 shillings. The black market rate narrowed to four times the official exchange rate.

Dr Obote has also trebled the prices of cotton and coffee—the latter accounting for virtually all Uganda's foreign exchange earnings.

These and other measures, taken after negotiations with the International Monetary Fund, have been welcomed by donors and lenders, and substantial aid should flow in over the next 12 months providing the administration is capable of handling it.

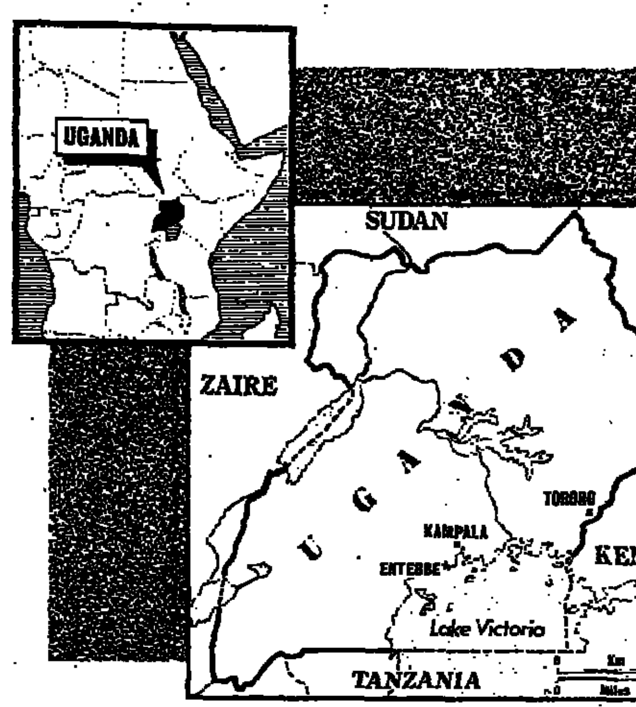
The IMF itself agreed to provide nearly U.S.$200m, and further pledges have been made by the EEC and the European Development Bank and the Islamic Development Bank.

In another measure to restore credibility to the country's handling of its finances, Morgan Grenfell, the British merchant bank, has just been *appointed* Uganda's external financial adviser.

This pragmatic approach has *encouraged* Kenya, Uganda's vital trading partner and outlet to the sea. Although senior members of President Daniel arap Moi's Government retain deep-rooted suspicions about Dr Obote's long-term plans, relations with Kenya *have markedly* improved.

But the major question remains: how can Uganda, riven by internal differences, unable *to cope with a history of violence* and still without an effective infrastructure, use the aid that it deserves?

DR MILTON OBOTE
A formidable task



Chris Walker

So far, road repairs apart, very little appears to have changed. Most central Kampala shops, *shattered windows* replaced, are back in business—but with pitifully few wares. The city has a ramshackle air, with drivers of near-derelict cars ignoring the winking traffic lights and concentrating instead on avoiding the potholes.

The city market carries a range of fruit and vegetables, evidence of the country's extra-*ordinary agricultural potential*, but a bunch of green bananas—from which comes matoke, a staple food—costs more than a primary *school* teacher's weekly earnings.

Hospitals, schools and clinics throughout the country remain desperately short of materials.

Kampala itself, scattered on and around seven hills and once renowned for its restaurants and nightlife, is threatened by a serious typhoid epidemic. Most nights are still punctuated by gunfire, though less frequently than in the past.

More serious, political violence continues, with frequent disappearances and killings. Blame *is* hard to apportion in a country used to the rule of the gun, but there is increasing concern about the tough tactics of Dr Obote's Uganda People's Congress (UPC).

Five newspapers have been closed and four MPs from the opposition Democratic Party (DP) are under arrest—though Government officials *say this* is because of alleged links with anti-Government guerrillas.

Several other developments have raised fears about the *stability of Dr Obote's Government.* The withdrawal of all but 1,000 of the 10,000 Tanzanian soldiers and police who remained behind after Amin's overthrow has thrown most of the responsibility for the maintenance of security on an ill-trained army and police force.

Training programmes are under *way* in Kenya, Sudan and Tanzania, while in Uganda members of the Royal Canadian Mounted Police are training their counterparts. But the overall calibre of the army remains very low, and that of the militia—ad hoc vigilante groups which sprang up during and after the war—even worse.

Tensions within the army were graphically illustrated last month when soldiers apparently deserted their barracks and made for the West Nile capital of Arua. It is a *highly sensitive region,* Amin's homeland and the scene of fighting and looting last October when Uganda forces clashed with ex-Amin soldiers based in neighbouring Zaire.

The disruption of civilian life *in the region has been considerable*, with up to 200,000 taking refuge in Zaire. However, the so-called "pro-Amin forces" are no more than bandits, living off the land, and do not appear an immediate threat to the *central government in* Kampala, hundreds of miles away. More serious are the three guerrilla forces who have a serious political purpose: the determination to overthrew the Obote regime.

- *The National Resistance* Army, led by a former defence minister, Yoweri Museveni, whose Uganda Popular Movement won one seat in the December elections. It is linked to the National Resistance Council, headed by Professor Yusufu Lule, the former President.
- The Uganda Freedom Movement, headed by Andrew Kariira, once Minister of Internal Affairs.
- The so-called "military wing" of the Democratic Party, disowned by the party and led by its former *secretary-general*, Mr Francis Bwengye.

Their strength is hard to determine accurately, but most observers believe that they are *not better armed or trained* than their opponents.

A far greater threat is the atmosphere of general demoralisation in which they operate. Perhaps the most serious challenge to the government comes from within. Pervasive corruption continues in a country where morality disintegrated during the Amin years.

"*Hardly a minister doesn't* hold a franchise for some item or other," said one diplomat. "Petrol, whisky, radio and cassette players, tyres—each item brings in a rake-off. Such is the lack of confidence in their tenure that many ministers adopt the attitude of get rich before they get out."

Perhaps most serious are the divisions within the 15-20,000-strong army, aligned along tribal and personality lines. "The country is effectively ruled by a group of warlords trying to control their own areas. Obote has to worry about their ambitions more than the guerrilla groups," believes one experienced observer.

Such tensions are set against deep-rooted political divisions which go back to the 1960s. Dr Obote began a series of moves which ended the dominance of the Baganda people, since then his bitter opponents.

To talk in terms of a North-*South divide is an over-simplification*—both main parties can claim senior officials from both regions. But the fact is that all but one of the 34 seats in the South, dominated by the Baganda, forming almost a third of Uganda's population, went to the DP.

What is fuelling the burning resentment in the South as well as elsewhere is the well-founded belief that last December's election results were rigged. Despite a Commonwealth observer *group endorsement of the poll,* few diplomats in Kampala believe the result was fair.

Leaked figures suggested that *the DP won a majority of the* 126-member parliament. But, in an extraordinary move, the chairman of the ruling military commission, Mr Paulo Mwanga, banned publication of the results.

Mr Mwanga, a close ally of Dr Obote and since appointed vice-president, threatened offenders with up to five years in jail. *Eighteen hours later, when* the ban was lifted, the outcome had dramatically changed and Dr Obote was heading for victory.

Official results gave his Uganda People's Congress 74 seats. But subsequent developments further undermined confidence in the democratic nature of parliament. Dr Obote is taking advantage of a constitutional provision dating back to his previous period in office to nominate a further 10 MPs.

A post-election decree provides for a further 20 nominated members. The net result of packing the house with a total of 30 extra MPs would be to give the UPC a two-thirds majority, which will enable it to amend the constitution.

Both developments have left the opposition in an invidious position.

"We believe the election results were tampered with," says Mr Paul Ssemogerere, the DP leader. "But the question *before us was what are the* likely consequences for Uganda if we boycott Parliament?"

The Government has been internationally recognised, he points out. "We thought it wise to swallow our outrage and do the little we could in a positive way.

"At issue is not a struggle for power. We are seeing arbitrary arrests, detention and torture, and a growing number of disappearances. The central issue is the conduct of a Govern*ment which is violating human* rights."

Many observers believe that Mr Ssemogerere's allega*tions are well-founded. Dr* Obote, nevertheless, remains Uganda's most experienced and shrewdest politician in a country which has been let down by its post-Amin leaders. But it is a country wracked by the legacy of war, corruption and bitter political divisions, making it almost ungovernable. Dr Obote will need not only out*side aid combined with the* resourcefulness of Ugandans, but more than his share of political luck to hold it together.

Letters to the Editor

Increase aid and trade

From Mr G. van der Mandele

Sir,—Of course it is right to give aid, but with due respect to Mr Edward Heath in his reply to Mr Samuel Brittan's Economic Viewpoint (July 15 1981), he is wrong in comparing the present aid environment to the one following World War II when General Marshall conceived his over-all plan of recovery for Europe.

In those days, free trade failed to do the trick of (by itself) rehabilitating Europe's economy and a major investment effort was necessary to rebuild its industry which was then permitted to reach a proper economic scale, not by merely supplying their own national markets *but by exporting* wherever and whenever there was a market for its products.

Today we are sending massive aid, but whenever the recipient achieves a breakthrough and develops a viable exporting industry, we close our borders, raise our tariffs or ask these countries to "voluntarily reduce exports."

It will not do to state—as does Mr Heath—that "in the real-world politicians are sometimes forced by domestic pressures to do things, such as raising trade barriers, which are against their better judgment or which conflict with other policies, such as aid for industrial development in the Third World." Are our politicians leaders or followers? General Marshall certainly overcame similar pressures when he *made his bold move.*

If our present leadership submits to whatever is politically expedient in the short run, aid may *not* quite be "conscience money," but it will never become the "seed money" that it should be: aid at worst will merely meet the day-to-day needs of the very poor who can only continue to hold up their hands and hope that the donor countries will be compassionate tomorrow also. At best it will help the Third World to establish a "local industry," on too small a scale and never able to break into the real world mar*kets and in the* process under-utilising its natural competitive advantages.

Inevitably, aid-cum-trade will mean major adjustments in certain industries in the advanced countries of the "*First World*" and these adjustments may be quite painful. But wouldn't it be sensible to make the necessary changes? How long can we afford to continue to misappropriate our highly educated and *remunerated* manpower resources to labour-intensive industries, which are transferable to a developing country? Would not this provide this country with a decent living (and not a hand-out) and the industrialised nations of the north with lower prices (and inflation) and with more affluent markets for those *goods* that they remain best equipped to produce?

The bold move that is required is not to increase aid, while indeed at the same time restricting trade (as a result of which the net result of the aid will be much reduced if not negative) but to increase aid and trade. *Possibly we should in* recognition of the problems of readjustment in the countries of the north split our aid in two: one part to develop industry on a proper scale and efficient basis in the south and the other *to* redeploy the resources presently misallocated in the north to better uses. No one could object to *funds* spent in this manner still being referred to as "development aid."

Until such moves are made, Mr Brittan has every right and a duty to deride moves by the Canadian or any other Govern*ment which remain examples of* political expediency.

G. K. van der Mandele.
Leemzeulder 2B,
1251 AN Laren N-H.

It's just not cricket

From J. Coventon.

Sir,—Your articles on the British economy (July 25) will *have struck many readers* as lacking in objectivity.

Have the advantages to exporters and so to Britain of a cheaper pound completely disappeared? The price movements in 1981 of the equities of quoted exporting companies suggest that the City does not think so, however much it may be distressed in other directions.

And does *not the relative* moderation this year of pay settlements, achieved and in prospect, deserve a mention?

Are you quite sure that it is fair to state categorically as a criticism of the Government that *in the* present Cabinet there are no Brearleys or Bothams or Willises? Or perhaps your Economic Correspondent did not *really mean* that. How confusing it all is! First we are instructed that "contrary to popular mythology" cricket *is* not a microcosm of public life; and then Sir Geoffrey and his policies are laid *flat* with a series of cricketing metaphors.

J. E. Coventon.
Hartridge Farm,
Ashampstead, Reading.

The value of the pound

From Mr F. Meyer

Sir,—May I be allowed one comment on Samuel Brittan's *excellent* article on "Hold the pound without intervention" (July 9). As so often, the comparison is with 1975. If the exchange rate had been in equilibrium in that year, the deterioration of competitiveness would indeed have driven us out of business by now. As is shown, this loss is less if earlier years had been taken as a base.

The halving of the value of the £ in terms of the $, from 1949 to date, has been the result *of deliberate policy* to keep the £ "competitive." According to Kravis *et al*, in terms of relative purchasing power the £ was too low in 1972: the ratio was 1:1.39, meaning that it cost £1.39 to buy in the UK what cost in the U.S. *the* dollar equivalent of £1. According to M. Friedman, the traditional de*viation of the £* below purchasing power parity would have been 1.1 or 1.2. At a time of relatively free trade, the greater than traditional deviation would unleash forces towards greater inflation in the UK than in the U.S. in *1972. The subsequent* larger fall of the £ than of the $ did nothing to reverse this. The recovery of the £ in 1980-81 made it possible for UK inflation to abate somewhat relative to U.S. inflation. The recent *fall in the £ is likely to* reverse this.

It is agreed that the £ was too high in 1925-31. In terms of purchasing power it was too low from 1949 to date and this has accommodated the sharper inflation rates of the £ than in terms of other major currencies. If every time the £ recovers it is pushed down again, the resultant greater inflation is an almost inevitable adjustment to *the lower exchange rate rather* than a loss of competitiveness.

F. V. Meyer.
54b, Blackboy Road,
Exeter

Who pays for the pension?

From Mr E. Brister

Sir,—The debate regarding the losses of pension rights which employees incur when they change jobs is in danger of becoming absurd.

Generally speaking, early leavers can be divided into those *who* are declared redundant and those who leave of their own volition.

Pension entitlement is just one aspect of the loss of a job by redundancy and it is unrealistic to suppose that any financial arrangement, whether or not it covers pension entitlement, can actually make redundancy acceptable. I say unrealistic because, by definition, the employer declaring redundancies is short of money.

The voluntary *early leaver* is in an entirely different position. He or she is effectively selling to a new employer the benefits of knowledge, skill and experience gained with one or more previous employers. On that *basis, it is monstrous to* suggest that the former employers should be responsible for future salary increases in respect of pensions earned in their employment. It is clearly up to the new employer who is taking advantage of the new employee's abilities to be responsible for improving the previously earned pension.

E. J. Brister,
14, Wentworth Green,
Norwich, Norfolk.

Watch your tongue

From Mr F. Acker

Sir,—As a conveyor of passengers, I suppose British Airways is moderately good; as purveyor of the English language, it is awful. One can, with reluctance, forgive the *various* American airlines their "Please fasten your safety belts—we are taking off momentarily," or their "Please extinguish *all smoking* materials," because after all, as far as English is concerned, they may be unaware of the golden *treasure they are* debasing.

But British Airways! The first touch of *England for many* foreigners or for expatriates returning after two weeks of struggling with the conditional in French or the twelve variations of "the" in German, is at the gangplank of a BA plane, where the steward in long-forgotten Pathé News Reels accents welcomes them aboard.

I can forgive these handsome *lads* and lasses their total ignorance of the twenty or so European languages that continue to be spoken despite the well proven *ability* of *English* to express any thought or idea no matter how subtle, in lucid or even poetic terms. When I see a rosy-cheeked stewardess forcing an elderly German couple into their seats with the words "*When we say* 'passengers should remain seated' we mean 'sit down'," I sympathise with her exasperation over those funny Europeans who cannot understand her plain English.

But of course, that's the problem. It isn't plain English, and although I can't be sure *that those* elderly passengers would have understood her if it were: I'm quite sure there is no chance of making instructions clear using the standard gibberish favoured by our national airline.

The sentence that *distils* the most noxious elements of airline gibberish is: "May we *kindly* remind passengers to take their personal belongings with them?" Let us examine the logic of this rhetorical question. "May" as a verb is a way of requesting permission. But what is the point of asking permission if in *the* same breath one takes it? Suppose a stranger in a train said to you as you innocently read your newspaper: "May I borrow *your paper?" and then snatched* it out of your hand. Naturally you would feel aggrieved, upset or even angry, but these feelings would be nothing compared with your dismay over the misuse of the word "may."

Now what about the word "kindly"? To return to my example: if this stranger were to say "May I kindly borrow *your paper?" and then snatched* it away, would you feel any the less hurt than if he had omitted the word? *What is its function* in that sentence? Does BA suggest that its staff is sometimes less than kind? No, the word "*kindly*" *in that sentence* has no meaning. If it were to be replaced with a sneeze or even a slap on the cheek, the sen*tence would suffer no loss* of meaning.

Now what about the word "personal"? in this pungent broth? Why personal belongings? Is there any sort of danger that you might take somebody else's belongings? If you do intend to do so, then such an instruction is unlikely to deter you. In *fact*, the implication of this adjective is that there are other kinds of belongings. But just a slight consideration about the word when used in the sense of ownership will show that it means property belonging to somebody. Hence "personal" is superfluous. *But* the fatuity of the whole instruction is exposed by considering what would happen if it were never uttered. Would we leave all our property behind on a plane if we weren't reminded to pick it up? If forgetful people suddenly acquired a good memory, simply by saying to them "don't forget," then the world might be a tidier place and all those funny shops in Piccadilly selling lost property would go out of business.

The announcement is unnecessary, it is ungrammatical, it is illogical and it is turgid with irrelevancies. In fact the whole set of instructions and observations during a BA flight is formed from pompous and intricate illiteracies.

British Airways: If you don't watch your tongue, I for one will campaign to have the word "British" excised from your logo and replaced by "BAnglish."

Fabian Acker.
9, Chiddingstone Street, SW6.

Today's Events

GENERAL

UK: Mr J. Enoch Powell, Ulster Unionist MP for South Down, addresses public meeting, St John's Hall, Penzance, 8 pm.

Overseas: Statement by Chancellor Helmut Schmidt of West Germany *on the Budget.*

Mass meetings organised by Solidarity at local factories in Piotrkow Trybunalski, Poland.

Zimbabwe Budget.

PARLIAMENTARY BUSINESS.

House of Commons: Debate on benefits up-rating and amendments regulations. (Summer recess until October 19).

House of Lords: Education Bill report. Pensioners Lump Sum Payments Order. Child Benefit Up-rating regulations. Family Income Supplements Computation regulations. Social Security Benefits Up-rating Order. Supple*mentary Benefit* Up-rating regulations. Supplementary Benefit Requirements and Conditions of Entitlement amendment regulations. Films Order. Two London Dockland Orders. (Summer recess until October 6.)

COMPANY MEETINGS

BPB Industries, 15 Marylebone Road, NW, 12. Baranora Tea, 10 West Nile Street, Glasgow, 9.30. *Beecham Group,* Hotel Inter-Continental, W, 12. Brent Walker, 23 Tower Place, EC, 4. N. Brown Investment, Midland *Hotel, Manchester,* 2.30. *Capital* and Counties Property, 40 Broadway, SW, 12. Carlton Real Estates, 3 Grosvenor Street, W, 10.30. James Cropper, Burneside Mills, Kendal, 10.30. Cummins Engine, 46 Coombe Road, New Malden, 10.30. Electronic Rentals, Howard Hotel, W, 12. James Finlay, 10 West Nile Street, Glasgow, 12. Fortnum and Mason, *Bowater House, Knightsbridge,* SW, 10.30. Marinex Petroleum, Great Eastern Hotel, 11.30. Mercantile House, 69, Cannon Street, EC, 12. *Property Partnerships,* Hotel Norwich, Norwich, 11.30. Rediffusion, 116 Pall Mall, SW, 12.15. Tecalemit, 77 London Wall, EC, 12. *Tesco Stores (Holdings),* Connaught Rooms, Great Queen Street, W, 12. Twinlock, St Ermin's Hotel, SW, 11.30. *Jonas* Woodhead, Parkway Hotel, Leeds, 2.30.

Lonrho blames midway fall on UK recession

PRE-TAX profits of **Lonrho**, the multinational conglomerate whose interests include mining, steelmaking and publishing, fell from £49.7m to £40.7m for the half-year to March 31, 1981 on increased turnover of £1.06bn against £985m.

The board says that the reduction in profit is largely due to the adverse effect of the current recession in the UK on the group's steelmaking, manufacturing and motor distribution activities, adding that the heavy losses in steelmaking have now been stopped.

Hadfields, the Sheffield-based steelmaking subsidiary, was partially closed on April 22 of this year.

The directors say this will result in an extraordinary charge in relation to redundancy and closure costs including provisions against various assets in the course of realisation, the amount of which at present cannot be accurately determined. They believe this charge will be substantially offset by extraordinary credits.

The directors say that the contribution to profits from mining interests is also reduced as a result of lower metal prices compared with last year. "However, in most other fields the group continues to do well."

The interim dividend of 3p (per 25p share) is maintained, although there was also a special interim last year of 1p making a total of 10p for the year.

Profit before tax includes profits from associates (including House of Fraser) of £19.3m compared with a restated £16.4m in the same period previously. Turnover includes associated turnover of £200.7m compared with a restated £186.1m.

Comparatives have been restated so that the figures are presented using comparable exchange rates.

Tax is estimated to take £21m compared with £22.7m in the first six months last time and minority interests £10.9m compared with £8.5m to leave attributable profits of £8.8m against £18.5m.

The board says that first half results are traditionally not as good as the second half for seasonal reasons and that the current rate of trading indicates that the group can look forward to a satisfactory year.

See Lex Back Page

Act gives Milford Docks power to diversify

Milford Docks will henceforth be allowed to diversify, raise up to £20m of new capital, split its £1 shares into smaller denominations, and stop and search "suspected miscreants."

These are all provisions in the new Milford Docks Act, which received the Royal Assent this week.

Mr Charles Smith, chairman, said at the annual meeting yesterday that the other part of Milford's parliamentary bill—seeking freedom for a major development project—had given rise to "a rather Gilbertian situation" as a result of which its passage through Parliament had been delayed.

The Welsh Office has apparently insisted that the bill would only sanction development of the Milford site so long as planning permission were granted by the local authority. But the authority says that it has no jurisdiction over the area which it is proposed to develop and cannot accept any planning application. Mr Smith was unable to predict how this stand-off might be resolved.

Milford has in recent years had many uninvited applications for a seat on its board. Yesterday's meeting saw the candidature of Mr George Edwards, the latest in this lengthening line.

Mr Edwards—who is a tenant of the docks, operates a haulage and general trading business from premises in the docks, and owns commercial property in Milford—said he wished the board visited the docks more often. On a card vote—arranged in advance—Mr Edwards was elected to the board.

Three directors standing for re-election were successful. Among them, Mr Richard Eldridge, who controls with his associates nearly 30 per cent of the company, had in earlier years made unavailing efforts to unseat the board before being invited to join it last August.

Mr Smith said that the clouds seemed to be lifting from the company's fishing activities, as the trawler operators switched their attention from mackerel to haddock. Sizable catches were thus entering the port earlier than in previous years.

R. PATERSON CAPITALISATION

The board of R. Paterson and Sons proposes a scrip issue of 15.34203 new ordinary shares for every 100 ordinary held on August 18 1981.

The capitalisation is to anticipate a technical reduction in capital which would otherwise occur on conversion of preference shares into ordinary at a price above par.

Better profit trend at ICI

PARTLY ATTRIBUTABLE to seasonal factors, but also to currency movements and some improvement in trading conditions, second quarter 1981 pre-tax profits of **Imperial Chemical Industries** rose to £83m, compared with £52m for the previous three months.

This left the first-half figure at £135m—roughly half of the £274m achieved in the same period of last year, of which £103m accrued in the second quarter. Total 1980 profits, however, on the new accounting basis then slumped to £284m, against £613m previously, after a sharp decline in the second six months of last year.

The company says there are indications that the severe customer destocking, which was a feature of last year's second half, may have ended. But there is still no sign of a general recovery and price levels remain unsatisfactory in many parts of the business.

Following the cut—by more than half—in last year's second interim dividend, the 1981 interim is being reduced to 9p net per share, against 12p last time—payments for 1980 totalled 17p.

Group sales for the second quarter increased to £1.6bn, compared with £1.49bn in the previous quarter and with £1.45m for the same period of 1980. For the first six months, sales have improved from £2.97bn to £3.09bn, with a higher overseas contribution of £1.88bn (£1.71bn) offsetting a reduction in the UK.

Chemical sales volume increased by 5 per cent over the quarter, but in the UK was still 5 per cent less than a year ago. Exports were ahead at £372m, against £334m three months earlier.

The half-year's pre-tax profits were struck after depreciation up from £141m to £153m. Tax was little changed at £66m (£67m) and after minorities of £14m (£16m) and extraordinary debits of £4m last time, net attributable profits for the period were down at £55m, compared with £187m.

Tax charge was split between UK tax of £26m (£32m) and £40m (£35m) of overseas subsidiaries and principal associates.

First-half earnings per £1 share are shown to have fallen from 32.7p to 9.3p.

The company's oil business (including its share in the Ninian oilfield) made trading profits of £14m in the quarter, after supplementary petroleum duty and petroleum revenue tax of £25m.

See Lex Back Page

Lex slips to £6.1m for half year

THE CAR and commercial vehicle distributor **Lex Service Group** made £6.1m pre-tax profit in the six months to June 28 1981 compared with £7.9m for the same period of 1980. Turnover slipped from £267m to £253.8m.

The interim dividend is maintained at 2.8p—last year's total was 7p from pre-tax profits of £12.8m. Stated earnings per 25p share are 8.34p (10.5p).

Mr Trevor Chinn, chairman and managing director, says that a number of the developments referred to in the 1980 annual report have been completed since the year-end.

"We have received proceeds of £8.2m from the sale of our investment in United Carriers and of $4.7m from the sale of the Whitehall Hotel, Houston.

"The agreement for Volvo North America Corporation to acquire a 50 per cent interest in Chanslor and Lyon Company Incorporated has now been completed."

He says contracts have been exchanged for the sale of the Royal Orleans Hotel, New Orleans for $10.5m, subject to certain consents.

He adds that the rationalisation of the motor vehicle distribution group has continued in the first half of the year.

The Lex Tillotson dealership at Tyneside was closed in January following the loss of the franchise and Lex Tillotson's dealerships at Worcester and Poole were closed in March and June respectively.

Mr Chinn says that the company's plans for 1981 did not anticipate improvement in the economy. "In the event, a number of the markets in which our businesses operate have been even more depressed than had been forecast and have experienced a tough competitive environment."

Regarding prospects, Mr Chinn says he is not optimistic about the outlook for the economy until well into 1982 and therefore does not expect any noticeable short-term improvement.

Over the past 18 months the group has benefited from a considerable inflow of funds from its divestments which, together with lower demands for capital expenditure and working capital due to the recession, has reduced borrowings.

Tax of £0.7m (£1.1m) for the six months has been allowed for, while extraordinary items contributed £0.9m (debit £0.5m) to leave attributable profits of £6.3m (same). Dividends take £1.8m and £4.5m will again be retained. Total retained profit carried forward is £66.7m (£62.1m).

The group is in the process of acquiring the U.S. electronics components distributor Schweber Electronics Corporation for a consideration of $48.75m.

● comment

Ever since the electronics distribution deal was unveiled at the end of May, it has been clear that Schweber was going to make a substantial impact on Lex Service's balance sheet. Subject to audit, the group is preparing to pay almost £42m, including related debt, for assets which were last valued at about £10m taking end-June parities. At 105p yesterday, the buyer's market capitalisation is about £70m. The interim results show how far Lex has been able to clear the decks to take Schweber on board. Debt servicing costs have more than halved to limit the trading profit shortfall of a third to a 23 per cent downturn at the pre-tax level. Cash stands at £21m, overdrafts remain minimal and shareholders' funds of £105.2m support term borrowing of £26m, down from £65.2m a year ago. Lex, then, is one of the best examples of the cash which can be taken out of a shrinking volume of business and realised from the disposal of unwanted activities. But, other than the two U.S. hotels, which may go for about $15m, the disposal programme is over and the short- to medium-term outlook will be determined by the extent to which Schweber, post ratification of the deal in September, can make up for the effects of increased capital gearing and the knocks which Lex is taking in some mainstream businesses such as commercial vehicle distribution and express parcels. The yield, meantime, offers reasonable support at 9.8 per cent.

HIGHLIGHTS

Lex looks first at the second quarter results from ICI which show that profits are slowly starting to respond to overhead cutting. The column also looks at the first half performance of Lonrho which has suffered a marked fall in attributable earnings as the recession bites into UK operations and hits mining. The tie-up between Sedgwick Group and Alexandre Services, which was to have formed another big transatlantic insurance broking merger, is off and, by way of a counterpoint, Marsh and McLennan, the U.S. giant in the sector, was showing how it is absorbing the UK-based C T Bowring. Lex also discusses the way Gallaher has topped the opposition for control of Ofrex, the office equipment group. Elsewhere, Fitch Lovell, the food group, Dixons Photographic, J. W. Spear, Lex Service Group and F. Pratt were reporting yesterday.

Spear falls below £1m on higher sales

DESPITE AN increase in sales from £7.2m to £12.6m, pre-tax profits of **J. W. Spear and Sons**, the Enfield-based toys and games manufacturer, dropped to £0.96m for 1980, compared with £1.63m previously. At half-time, the taxable surplus had fallen from £704,683 to £576,000.

Orders so far this year have been even more difficult to obtain than in 1980, the directors say, and although UK turnover is slightly ahead of last year, turnover for the group as a whole is down.

"It is hoped that to some extent this shortfall will be made good later in the year," they add.

As forecast at the interim stage, the final dividend is maintained at 3p net for an unchanged total of 6p per 25p share. Stated earnings were down from 24.38p to 16.02p.

Tax charge was £280,000 (£606,000). After same-again minorities of £36,000 and an extraordinary debit of £250,000 this time, the attributable profits came through at £397,000, compared with £984,000.

● comment

Spear's profits were expected to drop, but not quite so far. This year's outlook remains dull with profits not likely to be maintained. Sales would have declined in the year but for the inclusion of nine months trading by the SIO group, an overseas subsidiary of the collapsed Dunbee-Combex-Marx group. That group has not performed as well as been hoped, while overall, the group's export activities have been declining. However, Spear's balance sheet is not under pressure. Net interests costs during the year were £259,000 against nil the previous year, but income gearing stands at only 21 per cent. Net assets per share are up slightly at 182p, a premium of 72 per cent over the share price of 106p, down 2p yesterday. The yield offers reasonable support at 8.7 per cent.

J. Jarvis at £0.7m

A REDUCTION in second-half profitability left **J. Jarvis and Sons**, the building and civil engineering contractor, with pre-tax profits virtually unchanged at £701,689 against £701,457, on turnover up from £26.67m to £29.45m. At halfway, taxable surplus had risen by £100,000 to £245,000.

Although earnings per 25p share are stated lower at 44.8799p (46.0745p) the dividend total is being raised from 12p to 13.2p net, with a final of 7.2p.

Tax took £241,234 (£206,950) giving attributable profits of £460,209, compared with £472,309.

Government clears way for USH to acquire Alvis

THE RIGHTS issue by **United Scientific Holdings** to finance the £27m purchase of Alvis from BL is to be on the basis of seven new shares at 360p per share for every 17 held on July 27.

The board of USH is forecasting that pre-tax profit in the year to September, 1981 will be not less than £6m and the final dividend will be 3.5p per share compared with 3p last time. The order book is said to be very encouraging.

Alvis, which manufactures armoured cars and tanks, is forecasting a profit of not less than £5.5m in 1981 but USH notes that the contribution from Alvis in its year to September will not be material.

The Government cleared the way for the USH acquisition of Alvis yesterday by deciding that there would be no reference to the Monopolies Commission.

A pro-forma balance sheet of the enlarged USH group, based on the USH figures at September 30 1980 and the Alvis figures at December 31 1980 shows shareholders funds of £30.3m and fixed assets of £10.3m. Net tangible assets of Alvis alone were £16.45m. At June 30 1981 combined cash and bank balances were £7.5m and borrowings were £4.2m. In addition, there were £15.3m of contingent liabilities, to which Alvis contributed £12.2m.

Alvis profits before tax have grown steadily from £1.67m in 1977 to £6.9m last year and turnover has grown from £33.7m to £60.1m in the same period.

The agreement to purchase Alvis was announced early this month and completion is expected to take place on September 21. The deal is subject to the approval of an increase in the USH authorised share capital at an extraordinary general meeting on August 17.

The 7.85m new ordinary shares will not rank for any dividends in respect of the current year. Following the purchase, Mr P. K. Levene, managing director of USH, will become chairman of Alvis and Mr D. S. Fraser and Mr A. M. Jackson, who are directors of USH, will join the Board of Alvis. Mr A. J. Quayle of Alvis will become a director of USH.

The rights issue has been underwritten by Robert Fleming and brokers are Scrimgeour, Kemp-Gee.

See Lex Back Page

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Beaumont Props. ... int.	1.5	Oct 1	1.5	—	5.25
Brasway	2	—	2	3	4
Colonial Secs. Tst. int.	0.8	Aug 28	0.7§	—	2.3§
Dixons hPotographic ...	2.18	—	2.08	3.49	3.33
Drayton Commercial int.	2	Sept 30	2	—	7
Drayton Premier	3	Sept 7	3	—	10.2
Fitch Lovell	3.71	Oct 1	3.71	5.2	5.2
ICI .... int.	9	Oct 9	12	—	17
J. Jarvis	7.2	—	6.5	13.2	12
Lex Services Grp. ... int.	2.8	Sept 10	2.8	—	7
Lonrho .... int.	3	Oct 2	3‡	—	10
F. Pratt .... int.	2.2	Sept 10	2.2	—	6
Prestige .... int.	2.5	Aug 29	2.5	—	6.88
River & Mercantile int.	2.5	Oct 1	2.5*	—	7.5*
River Plate & Gen. int.	1.25	Sept 4	1.25*	—	5.25*
Scot. Amer. Invest. int.	1.25	—	1.25	—	4
J. W. Spear	3	—	3	6	6
Stavert Zigomala	6.3	—	6.02	6.3	6.02
Steinberg-Group	0.01	Oct 2	0.78	0.02	1.1
Vantage Securities int.	0.25	Oct 1	0.25	—	1

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/ir acquisition issues. ‡ Plus a special interim of 1p. § After adjusting for sub-division.

Pentos selling 60% of Jeavons Eng. to public

Pentos, the industrial holding company, is hiving off 60 per cent of its wholly owned subsidiary, **Jeavons Engineering**, by way of a public offer for sale of 3.36m shares at 62p per share.

Jeavons makes gas regulators and compression fittings and was described in the 1978 Pentos annual report as the major contributor to group profits of £2¼m before tax.

Mr G. A. Hazard, deputy chairman, said Jeavans's turnover last year was about £6m and profit growth had been steady since 1976 when Pentos acquired it until last year when profits were down slightly.

Full details of Jeavons are to be published in a prospectus today accompanying the offer for sale.

The offer is subject to the approval of Pentos shareholders. It has been underwritten by stockbrokers Kitcat and Aitken.

Pentos reported a loss of £2.2m before tax in 1980 compared with a profit of £3.82m in 1979. Before yesterday's announcement, the company had already announced the sales of five businesses this year for a total of £1.9m. Mr Terry Maher, chairman, said at the annual general meeting last month that he expected non-trading activities would realise at least £4m this year.

SPAIN

July 30	Price %	+ or −
Banco Bilbao	343	+6
Banco Central	370	+6
Banco Exterior	375	+5
Banco Hispano	315	+10
Banco Ind. Cat.	120	
Banco Santander	401	+7
Banco Urquijo	224	
Banco Vizcaya	368	+6
Banco Zaragoza	246	−3
Dragados	203	+3
Espanola Zinc	77	−1
Focsa	69	+0.8
Gal. Preciados	50	−4
Hidrola	76	+0.5
Iberduero	65.5	+0.5
Petroleos	120	+1
Petroliber	89	
Sogefisa	59	
Telefonica	77.2	−0.5
Union Elect.	74.2	−0.6

THE TRING HALL INDEX
122.1 (−0.2)
at close of business 30/7/81
BASE DATE 10.11.80 100
Tel: 01-248 5675

CORAL INDEX
Close 524-529 (+1)

OIL INDEX
October Refined $42.30
January Refined $45.45

Fitch Lovell slips £2m—holds final

PRE-TAX profit of Fitch Lovell slipped £2m to £9.19m in the year to April 25, 1981 on turnover improved from £802.21m to £851.43m.

By the half-year stage taxable profits had already fallen from £5.96m to £4.36m, and total sales were higher at £318.45m (£291.8m).

In line with predictions at the interim, the final net dividend is being maintained at 3.71p per 20p share making a same again total of 5.201p. Stated earnings per share are 13.61p (13.27p).

Profits of the food manufacturing activities advanced from £5.45m to £6.43m despite a further year of substantial pre-tax losses from the fruit and vegetable canning operation—whose closure was announced on July 1.

The directors say changes implemented at Lovell and Christmas—the largest component of the food wholesaling and markets sector, which made profits of £1.51m (£1.23m)—are taking effect. These include the integration of the existing bacon division with the recently acquired Joseph Stocks and Sons and a new cheese joint venture in Canada.

The harsh trading conditions in the poultry industry continued into the second half of the year and are reflected in the reduced profits of £260,000 (£1.4m) in the agricultural, fisheries and feed division.

Retail activities produced higher profits of £5.77m (£4.89m). However, the directors say the accelerated rate of supermarket openings—with the consequent increase in store opening costs and borrowings—has had an impact on Key Markets' profits.

Other activities made a lower surplus of £413,000 (£1.69m). The ships chandling operations produced a satisfactory overall result despite being frequently affected in the UK by external industrial disputes though benefiting from continued growth overseas. The packaging and building materials company suffered a major downturn as a result of severe over-capacity in the insulation materials market.

The directors say that firm control of working capital mitigated the increase in group borrowings which were further reduced in the final quarter by the completion of sale and leaseback arrangements on completed stores.

Pre-tax profits were struck after interest of £3.97m (£2.42m), development and organisation expenditure — including financing costs—of £2.37m (£1.29m), property profits of £2.39m (£1.23m) and an insurance receipt of £823,000 (nil) in respect of business interruption in the agricultural, fisheries and feed sectors in prior years.

The tax charge was substantially reduced to £575,000 (£2.91m) by the release of deferred tax provisions no longer required.

The attributable profit emerged at £7.48m (£8.23m) after extraordinary debits of £1.1m (£10,000). These represent the surplus of insurance proceeds over book value of the Lymington poultry plant which was destroyed by fire in the previous year, partially offset by provisions for the withdrawal from fruit and vegetable canning operations.

Current cost adjustments reduced pre-tax profits to £6m.

● **comment**

Fitch Lovell's accelerated programme of new store development has had two conflicting effects on pre-tax profits. The shift from four to five new Keymarkets a year up to a target of eight openings acted first to increase gearing and pushed up the interest charge by more than 60 per cent. The second-phase impact was an extra £1m in profits from property sales as the new stores became available for sale-leaseback deals. So far the sale and leaseback profits are slightly outweighed by the interest charge, but the two should come at least into balance before long. Keymarkets has had a more successful year than the West chain of butchers (still being reorganised), and Fitch has also had a good run from processed meat and Jus-Rol. Poultry, however, has been scarcely more rewarding for Fitch than for other sellers in a market flooded with frozen birds. The shares rose 4p to 74p, where they yield 10¼ per cent, 1¼ times covered on a current cost basis.

Dixons picks up to finish at £10.78m

IN THE second half of its financial year, **Dixons Photographic** recovered some of the ground lost at the interim stage to finish the 53 weeks period ended May 2 1981 with pre-tax profits down slightly at £10.78m, against £10.92m for the previous year. External sales, however, improved from £219.1m to £230.8m.

For the first 28 weeks, taxable profits had fallen from £5.92m to £5.01m, but against the economic background they were viewed with some satisfaction. The figures also included redundancy and reorganisation costs of £542,000 incurred by the retail division.

Although full-time earnings per 10p share are stated lower at 17.4p (19.1p for 52 weeks), the dividend total is being raised by 5 per cent from 3.325p to 3.49125p net with a final of 2.17875p (2.075p).

Current cost earnings per share were 16.4p and on the same basis pre-tax profits came to £10.27m.

Although profits from retail and manufacturing operations fell over the year, the group's pharmaceutical activities recovered from last year's loss and made a small profit. Also the processing and property divisions showed improvements, but overseas profitability slipped back.

A divisional breakdown of pre-tax profits and turnover shows respectively (in £000s):—retail £4.782 (£6,011) and £102,518 (£87,032); processing £1.381 (£1,120) and £12.005 (£9.771); pharmaceutical £17 (£585 loss) and 73,114 (£93,176); manufacturing £419 (£469) and £2,267 (£1,968); property £2.225 (£1,867) and £7.153 (£7,647); and overseas £1,954 (£2,039) and £37,166 (£31,794). Inter-company sales accounted for £3.75m (£12.29).

Tax charge rose from £1.26m to £1.98m and after extraordinary debits of £1.51m (£0.84m credits) and minorities, net available profits were down from £8.75m to £7.23m. The extraordinary debits comprised £0.9m goodwill written off and £0.61m losses on the sale of shops and reorganisation costs.

Payments absorb £1.76m (£1.67m) leaving a retained balance of £5.48m, compared with £7.08m.

● **comment**

Dixons has now turned in similar pre-tax profits for three years in a row. This time, loss elimination and property development has allowed Dixons to just about maintain last year's level. Retailing contributions have slipped to 44 per cent of the group's total as a result of 2 per cent overall price deflation. The company quickly denies, however, any shift in emphasis, saying that 22 new stores were opened in the last year and 25 more are planned in the current year. Trading is picking up and the group expects some improvement in the full year, perhaps to £11m or just over. The pharmaceutical sector could well fall back into the red this year, however, as the price wars have resumed. This will be more than balanced by processing which continues to outshine all other activities with nearly a quarter of the mail-order business. Overseas, the group has experienced a loss in its U.S. activities but plans for property development in Florida and the pick-up of the dollar should bring these activities back to profit. The balance sheet has been strengthened during the year and net long and short-term borrowings have been eliminated. The shares, up 1p to 161p, yield 3.1 per cent while the fully-taxed p/e of 15.6 looks demanding in view of the unexciting short-term prospects.

BANK RETURN

BANKING DEPARTMENT

	Wednesday July 29 1981	Increase (+) or Decrease (—) for week
Liabilities	£	£
Capital	14,553,000	—
Public Deposits	35,915,516	— 2,002,091
Bankers Deposits	637,303,108	+ 161,212,826
Reserve & other Accounts	1,538,088,974	— 47,574,235
	2,225,860,598	+ 111,636,500
Assets		
Government Securities	480,371,218	+ 61,584,192
Advances & other Accounts	1,095,641,245	+ 112,798,561
Premises Equipment & other Secs.	635,171,221	— 61,486,511
Notes	13,401,008	— 1,268,996
Coin	275,906	+ 9 254
	2,225,860,598	+ 111,636,500

ISSUE DEPARTMENT

Liabilities	£	£
Notes issued	10,975,000,000	+ 125,000,000
In Circulation	10,961,598,992	+ 126,268,996
In Banking Department	13,401,008	— 1,268,996
Assets		
Government Debt	11,015,100	—
Other Government Securities	9,069,839,402	— 81,217,203
Other Securities	1,894,145,498	+ 206,217,203
	10,975,000,000	+ 125,000,000

F. Pratt in loss midyear and warns on second half

FOR THE six months to April 30 1981 **F. Pratt Engineering Corporation** plunged from a pre-tax profit of £545,000 to a loss of £171,000 despite virtually maintaining its turnover at ££11.04m compared with £11.17m.

The directors warn that although there are indications that export order levels can be maintained, with possible improvement—particularly in the important U.S. market with the more favourable exchange rates—trading conditions in the UK remain very depressed and there appears "little prospect of improvement before mid-1982."

In consequence, they expect a further deterioration in trading profits in the second half, although this will be partly offset by much lower interest charges as a result of the sale of Hamblin and Wingate and the considerably reduced central costs.

However, while the short-term prospects are not good, the directors say, the group is in a strong position to weather the current recession until trading conditions improve.

For this reason they are maintaining the interim dividend at 2.2p net—last year a final of 3.8p was paid.

There was a tax credit for the six months of £37,000 (£283,000 charge) and after an extraordinary credit of £2.67m (nil) there was an attributable profit of £2.54m, compared with £262,000.

Stated earnings per 25p share are given as nil, against 4.8p.

Orders on hand at April 30 totalled £7.6m. These compare with £9.1m at the end of the last financial year and with £10.9m at the interim stage last year.

The sale of Hamblin and Wingate, which was completed during the first half has placed the group in a "very healthy cash position to ride out the remainder of the recession."

The manufacture of lathe chucks and collets has been discontinued at the Winchester factory and absorbed into factories of Halifax and Witney. Final closure of the Winchester factory will take place at the end of September when the remaining production of Woodworth products will also be transferred to Halifax.

In the meantime, the group is continuing to concentrate on and expand the development of new products with much higher added value and to modernise plant in those areas in which it sees future profit potential.

The extraordinary credits comprise a surplus arising on the disposal of the Hamblin and Wingate group on March 30 (after provision for tax) of £2.8m less redundancy and reorganisation costs (net of tax relief) of £0.1m.

● **comment**

F. Pratt Engineering has returned to its status as just another struggling engineering company after its moment of glamour last winter when bidders fought for its Hamblin and Wingate optical subsidiary and then the 600 Group bought a substantial share stake in Pratt itself. Trading profit is down by nearly a third in the first half and the directors expect a further deterioration in the second half. However, the handsome £2.8m profit on the sale of Hamblin and Wingate has strengthened the balance sheet so the group can contemplate some diversification and redevelopment of its property—notably an 11.7-acre site near London's Heathrow airport. Although the 600 Group has stated it does not intend to enlarge on its 26.9 per cent stake, the shares have remained fairly strong at 92p, unchanged yesterday. The maintained interim dividend is probably a gesture based on the windfall gain from the Hamblin and Wingate sale and, given the group's loss position, may not be a reliable guide to the total payout. The yield is 9.5 per cent.

Prestige ahead midway at £2.62m and pays 2.5p

THE HOUSEWARES manufacturer **Prestige Group** increased its pre-tax profits in the interim period to June 30 1981 by 5.4 per cent, from £2.48m (restated) to £2.62m, despite turnover falling slightly from £31.71m to £31.3m.

For 1980 as a whole the group made £5.67m before tax compared with £6.17m, on turnover of £64.82m against £62.25m.

The 2.5p net interim dividend (per 25p share) is being maintained. A total of 6.875p was paid in each of the last two years.

The directors say that while the continuation of difficult trading conditions at home affected sales in the United Kingdom, overseas operations recorded an overall improvement in sales and profits.

Tax for the half year took £1.13m, compared with £1.06m (restated to reflect stock appreciation relief). Group profit after tax came through at £1.49m (£1.43m restated). The interim dividend absorbed a same-again £453,491.

The company is controlled by American Home Products Corporation.

New yearlings total £14.25m

Yearling bonds totalling £14.25m at 14¼ per cent redeemable on August 4 1982 have been issued this week by the following local authorities:

Derby City Council (£1m); Manchester (City of) Metropolitan DC (£1.5m); Rhondda BC (£1m); Windsor and Maidenhead (Royal Borough of) (£0.5m); Merthyr Tydfil BC (£0.5m); Breckland DC (£0.5m); Castle Point DC (£0.5m); Scunthorpe (Borough of) (£0.25m); Strathkelvin DC (£1m); Wolverhampton (Borough of) (£1m); Glasgow (City of) DC (£2m); Tower Hamlets (London Borough of) (£1m); Kingston Upon Hull (City of) (£1m); Tendring DC (£0.5m); Newcastle-Upon-Tyne (City of) (£0.5m); Stafford BC (£0.5m); Sunderland (Borough of) (£1m).

Dartford DC and Gosport BC have issued £0.5m and £0.75m respectively of 14¾ per cent bonds at par for redemption on July 27 1983.

Country and New Town Properties Limited

Summary of results to 31st January

	1981 £000	1980 £000
Group profit before tax	2,265	2,198
Earnings per share	2.84p	2.82p
Dividend per share (net)	0.85p	0.75p
Total assets	48,371	44,090

Highlights from statement by the Chairman, Mr. G. M. Newton:

- ✻ Significant progress achieved during last twelve months. Expansion continued in North America and the recent Rights Issue raised nearly £8m.
- ✻ Retail business continues to make good progress. Additional office space arising from the Strand Store refurbishment will begin to contribute rental income in 1982.
- ✻ In the long term the Board is looking to sustainable rental income to provide the bulk of the Group's profits. The contribution from property trading is not expected to reach the level of the last two years. Operating profits should improve as a result of current negotiations.

Copies of the Report and Accounts are available from The Secretary, 6-11 Agar Street, London WC2N 4HN.

The Furukawa Electric Co., Ltd.

Tokyo, Japan

DM 35,000,000 5% Convertible Bearer Bonds of 1977/1984

— Security Index No. 461 460 —

Call for Redemption on September 30, 1981

In accordance with § 4 (2) of the Terms of Issue notice is hereby given that all outstanding convertible bonds of the above issue will be redeemed prematurely at par on September 30, 1981.

In accordance with § 9 (1) of the Terms of Issue **the conversion right may only be exercised until September 23, 1981.**

The convertible bonds outstanding and due for repayment will be redeemed at par on September 30, 1981 upon presentation of the bond certificates together with all unmatured interest coupons

a) in the Federal Republic of Germany including Berlin (West) at
   Bayerische Vereinsbank Aktiengesellschaft, Munich
   Daiwa Europe (Deutschland) GmbH, Frankfurt am Main
   and their branches,
b) outside the Federal Republic of Germany at
   Banque de Paris et des Pays-Bas, Paris
   Credit Suisse, Zurich
   Dai-Ichi Kangyo Bank Nederland N.V., Amsterdam
   European Banking Company Limited, London
   Manufacturers Hanover Limited, London
   Nippon European Bank S.A., Brussels

by a DM-cheque drawn on a German Bank or by credit to a DM-account, with due observance of the foreign exchange regulations, if any, of the relevant country.

The convertible bonds will cease to bear interest at the end of the day on September 30, 1981. In accordance with the Terms of Issue the amount of missing unmatured interest coupons, if any, will be deducted from the principal amount to be repaid.

In July 1981

The Furukawa Electric Co., Ltd.

National Westminster Bank Group

Interim Statement (unaudited)

for the half-year to 30 June 1981

Robin Leigh-Pemberton, Chairman of National Westminster Bank Group, announced today profits of £197m before tax and extraordinary items for 1981 Interim compared with £185m and £225m for the second half and first half of 1980 respectively.

The Operating Divisions' contributions to profit before charging loan stock interest were:

	1981 1st Half %	1980 2nd Half %	1980 1st Half %
Domestic Banking	56	55	61
International Banking	32	35	34
Related Banking Services	12	10	5
	100	100	100

The Domestic Banking contribution gained from substantial volume growth which in turn is reflected in Parent Bank total deposits which increased by 11% over the second half of 1980. Bad and doubtful debt provisions were lower and the increase in costs was well controlled.

The continuing difficult economic situation in the United States and particularly the exceptionally high interest rates continue to depress the earnings of our U.S. subsidiary, National Bank of North America. Despite this, our International Banking operations have achieved a good performance which in absolute terms is similar to that in the previous half year.

The Related Banking Services contribution has grown, both in absolute and percentage terms, largely reflecting an improved performance by Lombard North Central.

Once again, I draw particular attention to the current cost profits which reflect the real trend in our results after making adjustments for inflation. These profits at £115m indicate a fall of some 17% from the restated 1980 second half figure of £139m and show that in a period of inflation a large part of the historical cost profit—£100m in the first half of 1981—needs to be set aside simply to maintain the capital base.

This makes all the more regrettable the Government's decision to impose a levy on banking profits in this year's budget. The necessity to provide for this out of the half-year's figures, reducing the retained profit in historical cost terms to £21m (and a shortfall of £61m in current cost terms), shows all too clearly the adverse impact on our capital position, and we are pleased to see the assurances from Ministers that the tax will not be repeated.

An Interim dividend of 9.625p net of tax per share has been declared, being an increase of 10% on last year's Interim dividend.

28 July 1981

PROFIT AND LOSS ACCOUNT *Historical Cost Basis*

	Half-year to 30 June 1981 £m	Half-year to 31 Dec. 1980 £m	Half-year to 30 June 1980 £m
Group trading surplus:			
The Bank and subsidiaries (note 1)	196	181	228
Share of associated companies	10	12	8
Group profit before allocation to staff profit-sharing scheme	206	193	236
Allocation to staff profit-sharing scheme (note 3)	(9)	(8)	(11)
Group profit before taxation and extraordinary items	197	185	225
Taxation (note 4)	(55)	(52)	(40)
	142	133	185
Minority interests in, and preference dividends of, subsidiary companies	(1)	—	(1)
Preference dividend of the Bank	—	(1)	—
Group profit before extraordinary items	141	132	184
Extraordinary items:			
—Special tax on banking deposits (note 5)	(96)	—	—
—Other (after taxation)	(1)	(6)	(1)
	(97)	(6)	(1)
Group profit attributable to ordinary shareholders of the Bank	44	126	183
Ordinary dividend	(23)	(29)	(21)
Retained profit of the Group	21	97	162
Per-share			
Earnings (note 6)	60.0p	56.1p	78.3p
Dividends	9.625p (interim)	12.25p (final)	8.75p (interim)

NOTES

1. Analysis of Group trading surplus

	Half-year to 30 June 1981 £m	*Half-year to 31 Dec. 1980 £m*	*Half-year to 30 June 1980 £m*
Income:			
Interest income	2,404	2,146	2,015
Interest payable (other than on loan capital)	1,819	1,579	1,435
Net interest income	585	567	580
Other income	231	212	196
	816	779	776
Expenditure:			
Personnel costs	366	362	319
Premises and equipment	94	87	79
Bad and doubtful debts (note 2)	45	59	61
Other expenditure	90	73	71
Interest on loan capital	25	17	18
	620	598	548
Group trading surplus—The Bank and subsidiaries	196	181	228

2. The charge to Group profit for provision for bad and doubtful debts is in respect of:

	Half-year to 30 June 1981 £m	Half-year to 31 Dec. 1980 £m	Half-year to 30 June 1980 £m
Specific	41	49	47
General	4	10	14
	45	59	61

3. Under the staff profit-sharing scheme, provided annual Group profit before allocation to the scheme exceeds £100m, payments totalling £3m plus 5% of the profits over £100m are made to trustees for distribution to the staff of the Group; the provisional allocation of £9m in respect of the current half-year is on a pro-rata basis.

4. The charge for taxation assumes UK Corporation Tax at 52% (1980:52%) and takes account of the Group's estimated deferred tax provision for the year as a whole. As a result of capital allowances for taxation in respect of fixed assets used in the business and assets leased to customers, the charge for taxation for the current half-year is reduced by £49m (half-year to 31 December 1980:£47m, half-year to 30 June 1980:£63m).

5. *The 1981 Finance Bill contains provisions for a special tax on* banking deposits. The Group's liability is expected to be £96m and this sum has been provided in full as an extraordinary item in the half-year to 30 June 1981. The Government has declared this tax as being "once for all."

6. Earnings per share are calculated on the Group profit before extraordinary items and on the weighted average of ordinary shares in issue during the half-years.

Interim Dividends

The Directors have declared an interim dividend for 1981 on the ordinary shares of 9.625p per share (1980—8.75p per share).

The interim dividend and the half-year's dividend of 2.45p per share on the Bank's preference shares will be paid on 28 August 1981 to shareholders registered on 6 August 1981.

PROFIT AND LOSS ACCOUNT *Current Cost Basis*

	Half-year to 30 June 1981 £m	Half-year to 31 Dec. 1980 (restated—note d) £m	Half-year to 30 June 1980 (restated—note d) £m
Group profit before taxation and extraordinary items as in the historical cost accounts before deducting loan capital interest	222	214	275
Less: Current cost adjustments			
Monetary working capital (note a)	(100)	(69)	(159)
Additional depreciation (note b)	(8)	(6)	(7)
Current cost operating profit	114	139	109
Interest on loan capital	(25)	(18)	(20)
Gearing adjustment (note c)	26	18	38
Current cost profit before taxation	115	139	127
Taxation	(55)	(55)	(45)
	60	84	82
Minority interests and preference dividends	(1)	(1)	(1)
Current cost profit before extraordinary items	59	83	81
Extraordinary items:			
—Special tax on banking deposits	(96)	—	—
—Other	(1)	(6)	(1)
	(97)	(6)	(1)
Current cost (loss)/profit attributable to ordinary shareholders of the Bank	(38)	77	80
Ordinary dividend	(23)	(31)	(24)
Group current cost (shortfall)/surplus taken to reserves	(61)	46	56
Current cost earnings per share	25p	35p	35p

a. The monetary working capital adjustment allows for the effect of price changes on the net operating assets and has been calculated by reference to changes in the UK Index of Retail Prices (or the overseas equivalent).

b. The additional depreciation charge is based on the excess of current cost values of premises and equipment over the values in the historical cost accounts.

c. The gearing adjustment reflects the proportion of the monetary working capital and depreciation adjustments which the Group's capital funds, not attributable to shareholders' interests, bear to the total of such funds.

d. The 1980 figures have been restated, by reference to the movement of the UK Index of Retail Prices between 1980 and 1981, to allow for the effect of inflation.

Copies of the Interim Statement will be available to shareholders on request from The Secretary, National Westminster Bank Limited, 41 Lothbury, London EC2P 2BP.

National Westminster Bank Group

BIDS AND DEALS

Complicated deal sees Harris & Sheldon broken up

BY ROSEMARY BURR

HARRIS AND SHELDON, the Warwickshire-based group whose products include Antler luggage, Webley guns and English Rose kitchen furniture, is to be broken up with its lift business being bought by the UK Otis Elevator Company and the remainder going to some of the existing management.

The deal is complicated and involves Harris and Sheldon being liquidated and subsequently reconstructed. Under the scheme, which the non-executive directors who are not financially involved recommend, shareholders are offered 56p in cash per share.

On June 23 the shares of Harris and Sheldon were suspended at 32p, and yesterday when the listing was restored, the shares rose sharply to 53p. The bid price is the same as the net asset value per share of the group as at December 31, 1980.

Three years ago Otis, the subsidiary of the American Otis Elevator Company, approached Harris and Sheldon, to express an interest in the company's lift business. Mr James Miller, chairman of Harris and Sheldon, said talks were halted as no satisfactory future for the group's non-lift interests could be secured.

When Otis repeated its approach about three months ago, several factors had changed. Mr Miller says that the group was aware it was unlikely to remain independent over the next five years given the current highly competitive state of the lift market.

In addition, he said that an agreement which in the management's view would secure the future of the group's non-lift interests was part of the overall package.

The main elements of the £22.26m package are a cash payment by Otis of £13.45m and a cash payment of £8.81m from Eastlake, a private company set up by members of the existing management as the financial vehicle for the transaction.

Eastlake will be jointly owned by Mr Miller, and five other directors and executives of Harris and Sheldon. They are Mr Bob Plenderleith, Mr John Shotton, Mr Leslie Weller, Mr John Roylance and Mr John Dickinson. In due course, the company hopes to change its name to Harris and Sheldon.

Eastlake will finance the acquisition from three sources. The directors, themselves, will put up £800,000, Midland Bank will extend a £5m loan and Otis will subscribe a five-year unsecured loan stock of £2.92m.

Otis, which says the acquisition of Harris and Sheldon's lift business will increase its UK sales by about 50 per cent, plans to finance the deal by UK borrowings and from cash flow.

The net book value of the assets and liabilities being acquired by Otis was about £7.1m at December 31, 1980, and the pre-tax profits attributable to these assets for the year ended on that date was about £2.6m.

In contrast, the net book value of the non-lift assets of the company at the same date was £15.4m, including investment properties of about £3.7m and pre-tax profits attributable to these assets for 1980 were £500,000.

Otis and Harris and Sheldon say they "believe that the merger of Otis and the lift businesses will bring substantial benefits to both owing to the complementary nature of their products and market strengths: Otis has concentrated on the electric passenger lift and escalator market in the UK, while Harris and Sheldon has performed strongly in the UK goods and service lift market."

The non-lift businesses profitability have been deteriorating since the start of the year and unaudited management accounts for the first five months indicate that these businesses overall have traded at a loss.

Eastlake says it plans to continue to run these businesses in their present form.

Mr Miller says the price tag of the non-lift businesses reflects the current difficult trading conditions and the implied cost of further redundancies—the company may have to face.

The scheme is subject inter alia to the Office of Fair Trading informing the participants that the proposed acquisition will not be referred to the Monopolies and Mergers Commission.

The non-executive directors of Harris and Sheldon, who collectively hold 0.13 per cent of the shares and intend to vote in favour of the scheme, have been advised by S. G. Warburg. Otis has been advised by Morgan Grenfell.

NEI wins bid battle for APE

Almost without a shot being fired the two-week-old bid battle by Northern Engineering Industries for Amalgamated Power Engineering came to an end yesterday as NEI gained control of the Birmingham-based diesel engine turbine and compressor group.

NEI announced yesterday that it had purchased a total of 50.4 per cent of APE's shares through the market since it launched its £25.6m bid on July 15. On Tuesday it acquired almost 10 per cent. All the shares were purchased at the bid price of 140p each.

Yesterday the shares lost 4p to 136p on the London Stock Exchange.

The bid—which NEI said would not be increased—had been rejected as inadequate by APE's directors but they had not yet sent out their detailed defence document which was to contain a profit forecast.

Mr J. G. Ryder, the managing director of APE, said yesterday: "Our shareholders have decided to take the price in the market." He said that although the bid was unwelcome, he was not unhappy with NEI but said he was "not very happy with our own shareholders."

Mr Ryder said that an early meeting was planned with NEI to discuss the future. NEI has not yet sent out its formal offer.

Gallaher launches rival offer for Ofrex Group at 160p cash a share

BY REG VAUGHAN

Gallaher, the tobacco group controlled by **American Brands** of the U.S. yesterday launched its rival offer for **Ofrex Group**, the London based office supplies and industrial products group, topping by £6m last Friday's bid by **Dennison Manufacturing**, another U.S. group, which had been agreed with the Ofrex board.

The Benson and Hedges, Silk Cut and Old Holborn tobacco group, which had hinted at a possible offer earlier in the week, is offering 160p cash for each Ofrex share, with a loan note alternative, valuing the company at £31.8m. This compared with 130p per share offered by Dennison.

The Ofrex shares jumped by 20p to 158p on the London Stock Exchange yesterday. Between July 9 and July 22 when the shares were suspended at 122p the Ofrex share price had risen by 36 per cent. The Stock Exchange is looking into this movement.

There was no immediate reaction to the Gallaher bid which the Ofrex directors received yesterday morning. The two sides had a brief meeting in the afternoon but the Ofrex board plans to sit tight and think about the bid before making any announcement.

When the bid by Dennison, a leading U.S. manufacturer of stationery products, was announced the company had already won the irrevocable acceptance of the Ofrex founder and chairman Mr George Drexler—who controls 10.6 per cent of the equity—and it had persuaded holders of 28.8 per cent of the Ofrex shares to commit them to Dennison or sell them in the market.

These shares included discretionary trusts managed by S. G. Warburg, Ofrex's adviser, which had said that the Dennison bid was 'fair and reasonable."

Dennison was yesterday considering its position in the light of the higher bid. A spokesman for the company thought it would be "a shortish while" before an announcement was made. If it decides to pull out and sell the shares it owns to Gallaher it could take a profit of about £1.5m on the deal.

Gallaher held no Ofrex shares prior to the offer. But with the share price below the bid price yesterday Gallaher was free to purchase shares in the market. Dennison on the other hand, with its 130p pre share offer on the table, is prevented from adding to its stake at this price level.

Mr Stuart Cameron, the chairman and chief executive of Gallaher, said yesterday that the group was poised to make a bid approach to Ofrex when Dennison stepped in. He said that Gallaher was offering 160p per share because it did not want to get involved in an auction.

Mr Cameron said that under the Gallaher umbrella it was intended to maintain Ofrex as a separate entity within its existing management using it to spearhead a drive into the international office supplies market.

Gallaher, which also has pump and valve interests and optical interests through its Dollond and Aitchison optical retail chain, had done a lot of work on Ofrex. Gallaher has been looking constantly to broaden the base of the group and Ofrex was one of several companies on a short list it had been working on together with J. Henry Schroder Wagg, its merchant bankers.

The acquisition of Ofrex would represent a further diversification move for Gallaher which in recent years has been steadily lessening its dependence on the traditional tobacco side of the business. In 1980 non-tobacco interests contributed some 25 per cent to operating profits.

Its only connection at present with the office supply business is through a subsidiary of Gallaher's parent (Swingline) which is Ofrex's biggest competitor in the American stapler market.

Gallaher (which showed pre-tax profits up from £63.2m to £80.8m in 1980) yesterday announced a fall fro m£49.3m to £35.7m in first half 1981 profits and the directors confirmed that full year figures were likely to remain below the 1980 record.

Pre-tax profits of Ofrex last year were halved from £5m to £2.5m on sales of £46m. Ofrex is best known for its Rexel, Ofrex and Fordigraph office products. It also makes industrial staples, packaging marking equipment and car seatbelt buckles.

Gallagher results Page 18
See Lex Back Page

Pilkington sells its stake in Duplate Canada

PPG Industries Inc has purchased **Pilkigton Brothers'** stock in Duplate Canada Inc, a Canadian corporation with headquarters in Toronto. Pilkington's interest is approximately one-third of the ownership of Duplate.

The consideration involved in the transaction is to be satisfied in cash and represents substantially less than 5 per cent of the assets employed by the Pilkington group.

Ruberoid offer for rest of Catalin

Ruberoid has offered 70p per share for the outstanding shares in Catalin which it does not hold. The offer, which has the agreement of the Catalin board, values the company at £1.19m.

On July 29, Ruberoid, the roofing manufacturer and building contractor, announced it planned to make the 70p offer for Catalin, the manufacturer of industrial resin, after acquiring a 40.25 per cent stake in Catalin at that price from Wix International Corporation.

The board of Catalin and its financial advisers, Barclays Merchant Bank, consider the terms of the offer to be fair and reasonable. The directors recommend acceptance of the offer and intend to do so in respect of their own shareholding: 32,760 shares.

Ruberoid has been advised by Samuel Montagu, who will be dispatching the formal offer document shortly.

STATEMENT BY F. PRATT

F. Pratt Engineering Corporation said yesterday in view of certain press reports of remarks made by Mr L. M. James at the annual general meeting of Maurice James Industries on Monday, July 27 1981, it wishes to clarify certain matters.

The company states: "Following a personal approach to an individual director, Mr James suggested that the board should consider the acquisition of Maurice James Industries. Some general information on that company has since been circulated to board members but there have been no further discussions of any sort between the two companies."

It also said that "it is confirmed that, following disagreement as to the scope and extent of the chief executive's powers and responsibilities, Mr S. W. Murray Threipland was suspended from executive duties on July 7 and those duties were assumed by the executive chairman. The situation is due to be considered at a board meeting to be held on August 12."

SHARE STAKES

Epicure/Needlers — Epicure Holdings on July 30 bought 52,500 Needlers ordinary shares at 25p each bringing the total holding to 150,000 shares (7.57 per cent).

Talks continue at Arbuthnot Latham

A MONTH after it revealed that "certain approaches had been made to us," **Arbuthnot Latham**, the small City accepting house, is still unable to give any more information to shareholders about the possible suitors, or the terms of any proposed deal.

At yesterday's annual general meeting, Mr A. R. C. Arbuthnot, the chairman, confirmed that "discussions are contiuing." The Board had been studying the various approaches which might or might not lead to an offer being made. "We are still studying these, mindful of our responsibility to our customers and clients, staff and shareholders."

Mr Arbuthnot said that "you will appreciate that I am unable to give you further information at this particular point in time but when we have anything specific we will make a further announcement."

Mr Arbuthnot noted that profits for the first quarter of the year were "well ahead" of the same period last year. The recent strength of the dollar against sterling had assisted the continued progress of the insurance broking business in particular.

The shares closed 12p higher at 287p. However, they are still over 15 per cent below the level of a month ago when the group first revealed that approaches had been made.

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Vote swings control of F. H. Lloyd to Cooper

Cooper Industries, the Midlands-based steel ande engineering company headed by Mr John Cooper, has gained virtual control of F. H. Lloyd Holdings following a shareholders' vote at the annual meeting not to reappoint two Lloyd directors.

The vote, subject to official confirmation, was followed by a heated board meeting at which the outgoing chairman, Mr R. H. Foster, was reappointed as chairman. Chairman-elect, Mr Ronald Middleten, did not succeed to the post.

Mr Middleton said afterwards that he would be calling an extraordinary general meeting over the way the vote had been conducted. "I strongly object to the means by which Coopers have got their people onto the board to gain control. It was a most acrimonious board meeting," he said.

F. H. Lloyd, a steel, foundries and engineering group, *which* recently reported a £254,000 loss on its foundry and engineering activities last year, has been the subject of take-over speculation as a result of the 28.52 per cent *shareholding* built up by *Cooper* Industries.

Mr John Cooper joined the board of Lloyd in March this year. Earlier this month Mr Frank Clymer, the company's *chief executive*, who had been with the group for more than 40 years, resigned.

Cooper Industries had previously been involved with Lloyd in a joint venture, Lloyd Cooper, which operated a mini steel mill in Dudley. However, Lloyd recently bought out Cooper's share, assisting *Mr* Cooper to build up the shareholding in Lloyd Holdings.

Yesterday's turn of events began with a proposal at the annual meeting, by a solicitor acting on behalf of Cooper Industries, that the reappointment of two Lloyd directors would be subject to a poll by *shareholders*.

The directors concerned were Mr Alan Harris, managing director of engineering and steel, and Mr Charles Harrison, in charge of foundries. Both had recently been appointed as part of management changes within the group.

The poll, which was then conducted, allowed proxy voters to change their vote and *around* 10m votes previously committed to the directors' reappointment were then subject to change. Cooper Industries, controlling around 6.9m votes, were there*fore almost certain to swing the* poll.

On the basis of an unofficial result, a board meeting was then convened and two new members were voted on to the board—Mr Denis Parker, managing director of Lloyd-Cooper (now renamed Lloyd Dudley) and Mr Cedric Grew, a member of Cooper Industries board.

With the *addition of the two* new board members and existing support from others, Cooper Industries has effective control of the board. Mr Cooper said afterwards he regretted the means used to achieve this, but believed it was necessary for the good of the company.

"The board has been split for some time and we now feel we have to exercise greater control. We want to get the company *into better shape, which is impor*tant at a time of recession.

"The changes already made have been along the right lines, but more needs to be done for the good of our shareholders and the others."

Mr Cooper said the position of Mr Harris and Mr Harrison was uncertain, but it was not his *intention* to remove them from *their managerial jobs in* the company.

Mr Middleton, a solicitor with the City firm Coward Chance, who joined the board five years ago on a non-executive basis and sought to reorganise it, said his ambition to d ofthis had now been thwarted.

He saw the moves yesterday as a means of gaining control *without having to buy the com*pany, and believed all shareholders should be involved in such a *major change*.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock *Exchange*. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are interims or finals and the subdivisions shown below are based mainly on last year's timetable.

TODAY

Interims:—Martin *Ford*, *Midland* Bank, Plastic Constructions, TACE, York Trailer.

Finals:—Arbuthnot Government Securities Trust, Cray Electronics, J. and J. Dyson, Marling *Industries*, Security Centres, Watsham's.

FUTURE DATES

Interims:—	
Ratcliffs (Great Bridge)	Aug 13
Relyon PBWS	Aug 6
Finals:—	
AAA Industries	Aug 6
City of London Brewery and Investment Trust	Aug 5
Ewart New Northern	Aug 5
Fobel International	Aug 4
Owen and Robinson	Aug 3

REPORTS TO MEETINGS

Wedgwood predicts sales up by 12% in first quarter

FIRST-QUARTER figures due next month from Wedgwood, the bone china and earthenware group, would probably show sales 11 to 12 per cent ahead on *last year, and pre-tax profits* not less than £1.25m—compared with £176,000—Sir Arthur Bryan, chairman, told shareholders at the AGM yesterday.

However he warned them not to draw euphoric conclusions about the outcome of the year's trading from these figures—last year's start had been disastrous. While the Royal Wedding had been a great stimulus it would make no more than a modest contribution to sales and profits in a difficult year, he added.

Sales in Wedgwood's important U.S. and Australian markets were continuing *strongly* and other areas also showed promise. However, Canada, the Caribbean and Europe were currently all weak markets, and there was no sign of any sound underpinning of the *UK* market.

The directors expect the first half to produce a reasonable advance but they could make no sound predictions for the outcome for the full 12 months, he said.

Mr G. H. J. Robinson, chairman of **Sangers Group**, told the shareholders' annual meeting that this pharmaceutical, photographic and optical equipment company had not yet pulled out of its loss-making position. However, one of the group's problem areas, pharmaceutical wholesaling in the UK, had shown significant *improvement* with *an* increased market share. By June it had almost broken even.

The other problem areas remained the optics activities.

Mr M. G. Falcon, chairman of *Pauls and Whites, manufacturers* of malt, animal feed and food flavours, said at the AGM yesterday that the results for the first quarter of the current year were significantly better than last and he was confident that this would also be the case for the first-half figures.

The volume of animal feed sold so far had increased, while malt production had been maintained in the face of falling UK demand by building up export markets. However the agricultural machinery market continued to be very depressed, he *said*.

RESULTS AND ACCOUNTS IN BRIEF

LONDON AND GARTMORE INVESTMENT TRUST—Dividend 1.5p (1p) net per 50p share for year ended June 30 1981. Revenue £95,356 (£73,095) after tax £56,523 (£39,683). Dividend cost £83,750 (£42,500). Earnings per share 2.24p (1.72p). Total net assets £8.7m *(£5.57m)* or 174p *(107p) per share* after prior charges.

VANTAGE SECURITIES (investment trust)—Net income for half-year to June 30 1981, £14,528 (£13,491) after tax of £7,253 (£5,952). Interim dividend 0.25p (same). Stated earnings per 10p share 0.484p (0.45p).

RIVER PLATE AND GENERAL INVESTMENT TRUST COMPANY—Net revenue half year to June 30 1981 £400,600 (£399,477) after tax of £209,538 (£180,313). Stated earnings per 25p deferred share 2.59p (2.525p). Net asset value per share 166.13p (134.52p). Interim dividend 1.25p (equivalent same).

RIVERMORE MANAGEMENT SERVICES—Net revenue for half-year to June 30, 1981, £409,600 (£399,477) after tax of £209,538 (£180,319). Stated earnings per share 2.59p (2.525p adjusted). Net asset value per share 166.13p (134.52p adjusted). Interim *dividend 1.25p (1.25p adjusted)*. Valuation of investments £24.04m (£21.04m).

STAVERT ZIGOMALA AND CO. (HOLDINGS) (furniture wholesaler and investment company)—Profit for the year to March 31, 1981 £27,995 (£22,270) after tax of £11,564 (£9,538) and depreciation and other costs £1,500 (£6,265). Dividend 6.3p net (6.02p). Holding company profit £18,388 (£17,559) after tax of £7,913 (£7,598).

CASTINGS (ironfounder) — Results for March 31, 1981, year reported June 6. Fixed assets £3.33m (£3.56m), net current assets £592,162 (£370,318). *shareholders' funds £2.56m (£2.47m)*. Meeting, Brownhills, August 3, 2.30 pm.

Drayton Premier advances

REVENUE AFTER tax of Drayton Premier Investment Trust for the half year to June 30 1981 advanced £118,700 to £1.74m. The tax charge was *£1.22m* compared with £1.06m.

The directors have declared a maintained interim dividend of 3p net per 25p share. Last year a total of 10.2p was paid.

The net asset value per share is stated at 325.375p (269.875p).

Substantial reorganisation at A. Walker

Subject to a number of conditions Mr J. M. Donachie and Mr L. R. Peralta have agreed to purchase 449,999 shares, or 14.99 per cent of Alfred Walker and Son at 40p per share from the trustees of the P. W. and W. M. Walker settlements.

The offer is principally conditional upon a substantial reorganisation which will involve a transfer of 50 per cent of the company's net assets to a private company and the corresponding reduction of capital with the consent of the Court and of the members.

Mr R. A. L. Walker and Mr D. J. Walker will receive shares in the private company as part of the transaction.

It is envisaged that a full circular incorporating the necessary resolutions will be sent to members early in October with the necessary meetings to be held on October 30. By such time members will have in their possession the accounts for the year ended April 30, 1981.

Pending the issue of the circular and the Court documents the company has requested suspension of the listing for its shares.

At the suspension price of 17p the company was valued at £570,000.

Drayton Commercial improves

Taxable revenue of Drayton Commercial Investment Company improved from £1.57m to £1.82m over the first half of 1981 but the interim dividend is being held at 2p net—last year a final of 5p was paid.

Tax for the six months took £748,600, against £601,400.

Net asset value per 25p share is given as 243¼p 2(194⅞p on December 31 1980).

SCOTTISH AMERICAN

Net income of the Scottish American Investment Company showed a slight fall from £1.01m to £994,000 in the six months to June 30 1981. Net asset value per 50p share improved from 141.3p to 187.4p, which is a record level.

Overseas' holdings performed well during the half, with the U.S., Japanese and Australian portfolios all outperforming their market indices. *The effect of this on asset value* was enhanced by the strength of the U.S. dollar.

With the long drawn-out recession continuing in the UK, the board says it is difficult to see *any real upturn* in economic activity in the near future.

The interim dividend is held at 1.25p—last year's total was 4p.

At June 30, shareholders' funds had increased from £79.02m to £104.76m.

ICI in 1981

First half year

The Board of Directors of Imperial Chemical Industries PLC announce the following unaudited trading results of the Group for the first half year of 1981, with comparative figures for 1980.

1980 First Half £ millions	1980 Year £ millions		1981 First Half £ millions
		Sales to external customers	
1,269	2,399	United Kingdom	1,221
1,706	3,316	Overseas	1,878
2,975	5,715	Total	3,099
274	284	Profit before taxation	135
		After providing for:	
141	291	Depreciation	153
−67	−123	Taxation	−66
207	161	Profit after taxation	69
−16	−31	Attributable to minorities	−14
191	130	Profit attributable to Parent Company before extraordinary items	55
−4	−150	Extraordinary items	—
187	−20	Profit attributable to Parent Company after extraordinary items	55
32.7 pence	22.1 pence	Earnings before extraordinary items per £1 Ordinary Stock	9.3 pence

Group Sales in the second quarter (£1603m) were £107m above those achieved in the first quarter 1981. Group chemical sales volume increased by 5% but in the UK was still 5% less than a year ago. The f.o.b. value of exports from the UK was £372m compared with £334m in the first quarter 1981.

Profits in the second quarter showed an improvement over the previous quarter. This was partly due to seasonal factors but also to currency movements and some improvement in trading conditions.

There are indications that the severe customer de-stocking, which was a feature of the second half year 1980, may have ended. However there is still no sign of a general recovery, and price levels remain unsatisfactory in many parts of the business.

The Company's oil business (including its share in the Ninian oilfield) produced trading profits in the quarter amounting to £14m, after supplementary petroleum duty and petroleum revenue tax of £25m.

The following table summarises the quarterly sales and profits:

	Group sales £m	Profit before Tax £m	Change in Accounting Presentation £m
1980			
1st Quarter	1,523	162	9
2nd Quarter	1,452	80	23
3rd Quarter	1,304	−10	13
4th Quarter	1,436	−6	13
		226	58
Year	5,715	284	
1981			
1st Quarter	1,496	52	
2nd Quarter	1,603	83	

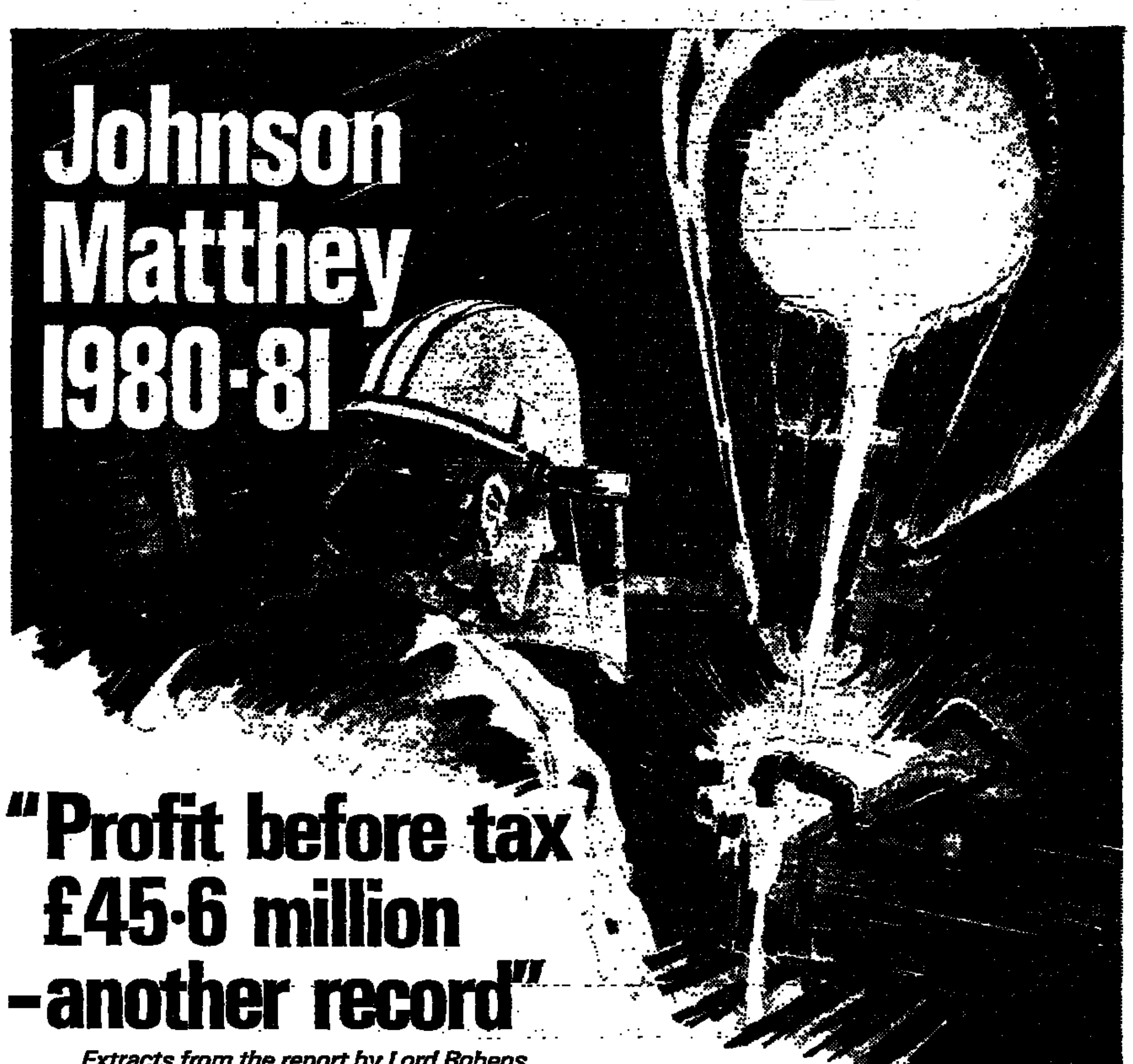
The charge for taxation for the first half year 1981 amounting to £66m (1980 £67m) consists of £26m of UK corporation tax (1980 £32m) and £40m taxation of overseas subsidiaries and principal associated companies (1980 £35m).

Interim Dividend for 1981

The Board has declared an interim dividend of 9.0 pence (nine point nought pence) per £1 unit of Ordinary stock of the Company in respect of the year 1981 (1980 12.0 pence). This together with the imputed tax credit of 3.86 pence is equivalent to a gross dividend of 12.86 pence (1980 17.14 pence).

The interim dividend now declared will absorb £53m and is payable on 9 October 1981 (a month earlier than previously announced) to Ordinary stockholders registered in the books of the Company on 28 August 1981.

Trading Results for first nine months of 1981 will be announced on Thursday 29 October 1981.



"Profit before tax £45·6 million —another record"

Extracts from the report by Lord Robens to the Annual General Meeting on 30th July 1981

- ● **considerable growth and record profits by North American Group**
- ● **rights issue raised £47·2 million**
- ● ***£8 million invested in new acquisitions***
- ● **diversity and geographical spread helped to offset effects of recession**

YEAR ENDED 31st MARCH 1981

Total sales (excluding JM Bankers)	£901·5 million
Exports*	£295·5 million
Group pre-tax profits	£ 45·6 million
Ordinary Share dividend	£ 11·8 million
Retained	£ 21·0 million

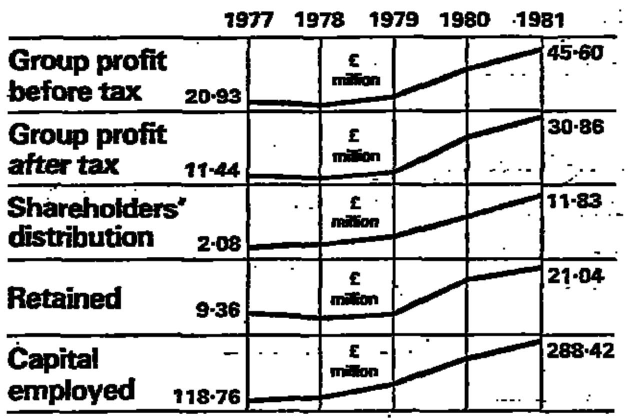
**Exports 33% of total sales*

JM team wins the MacRobert Award 1980

for the development of catalytic systems for controlling pollution from motor vehicle exhaust emissions.

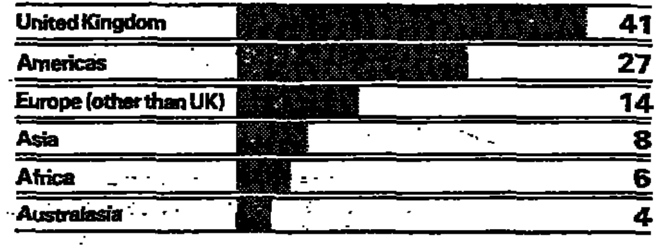
Made annually by the Fellowship of Engineering, the MacRobert Award is Britain's premier distinction in the engineering field.

5 YEARS' COMPARISON OF RESULTS



Copies of the Directors' Report and Statement of Accounts are available from the Company Secretary

PROFIT by area



United Kingdom
Excellent profit from banking and from precious metals refining

Americas
Record year in USA and Canada; new chemicals plant and platinum metals refinery to be built

Asia
Record year in Japan; continued excellent performance by Hong Kong banking subsidiary; good year for Indian company

Europe (other than UK)
Successful year for Italian company; satisfactory results in Belgium, Denmark, France, Holland, Sweden and Switzerland

South Africa
Good results helped by buoyant economy; building trade boom brought record results for colours unit

Australasia
Australian and New Zealand companies again achieved good results

PRODUCTS AND SERVICES

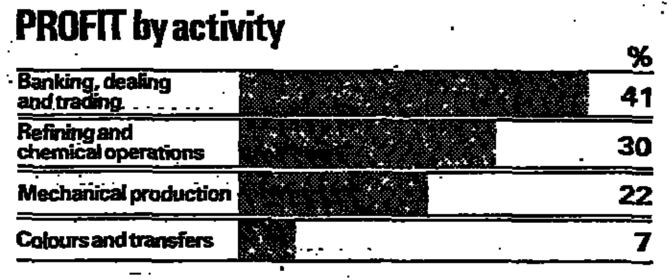
Banking, dealing and trading
Demand for platinum maintained by most industries; down in US car industry. *Continued progress by* banking group

Refining and chemical operations
Good year for precious metals refining; ranges of chemicals, high purity and specialised materials extended

Mechanical production
UK operations hit by recession; capital investment maintained; *diversification continued*

Colours and transfers
Disappointing results owing to depressed UK ceramics industry; *colours exports maintained; record* transfers exports; good results in electronics division

PROFIT by activity



Johnson Matthey Public Limited Company
100 High Street Southgate London N14 6ET England

NOTICE TO THE HOLDERS OF REPUBLIC OF PANAMA

KD 4,000,000 9% NOTES DUE 1987
OPTION TO REDEEM ON 15th JANUARY 1982

Notice is hereby given that under Clause 4 (C) of the terms and conditions of the Notes, the holders of the abovementioned Notes shall have the option to have such Notes redeemed by the Republic at 100 per cent on 15th January 1982. To exercise the option the holders of these Notes shall deposit the same with the Fiscal Agent or any of the Paying Agents at the addresses given below from whom payment is required at any time between 1st September 1981 and 30th September 1981 (both dates inclusive).

The Notes when so deposited may not be withdrawn without the prior consent of the Republic.

Fiscal Agent:
KUWAIT INTERNATIONAL INVESTMENT CO. S.A.K.
Gate No. 1, 5th Floor, Salhia Commercial Complex, Kuwait

Paying Agents:
MERRILL LYNCH INTERNATIONAL BANK LTD.
Merrill Lynch House, 3 Newgate Street,
London EC1A 7DA, England
KREDIETBANK S.A. LUXEMBOURGEOISE
37 Rue Notre-Dame, Luxembourg

By
KUWAIT INTERNATIONAL INVESTMENT CO. S.A.K.
as Fiscal Agent

M. J. H. Nightingale & Co. Limited

27/28 Lovat Lane London EC3R 8EB Telephone 01-621 1212

1980-81 High	1980-81 Low	Company	Price	Change	Gross div.(p)	Yield %	P/E Actual	P/E Fully taxed
110	100	ABI Hldgs. 10pc CULS	110	—	10.0	9.1	—	—
76	39	Airsprung	66	—	4.7	7.1	10.5	14.5
52	21	Armitage and Rhodes	45	—	1.4	3.1	18.5	42.9
200	92½	Bardon Hill	198	—	9.7	4.9	9.6	11.7
104	88	*Deborah Services*	*102*	—	5.5	5.4	*8.0*	9.6
126	88	Frank Horsell	100	—	6.4	6.4	9.9	21.7
110	39	Frederick Parker	65	—	1.7	2.6	28.3	—
110	64	George Blair	64	—	3.1	4.8	—	—
113	59	Jackson Group	109	—	7.0	6.4	3.4	7.7
130	103	James Burrough	129	—	8.7	6.7	9.4	11.8
334	244	Robert Jenkins	304	—	31.3	10.3	4.2	10.7
59	50	Scruttons "A"	58	—	5.3	9.1	8.9	8.3
224	191	Torday	191	—	15.1	7.9	7.3	12.6
23	8	Twinlock Ord.	14½	—	—	—	—	—
90	68	Twinlock 15pc ULS	77	—	15.0	19.5	—	—
56	35	Unilock Holdings	38	—	3.0	7.9	5.8	9.3
103	81	Walter Alexander	98	—	5.7	5.8	5.4	8.6
263	181	W. S. Yeates	244	—	13.1	5.4	4.6	9.4

CALEDONIA INVESTMENTS LIMITED

Sir Nicholas Cayzer's Statement

The 52nd Annual General Meeting of Caledonia Investments was held on July 28th in London. The following is the circulated Statement of Sir Nicholas Cayzer, Bt., the Chairman:

The profit for the year amounted to £4,144,000 compared with £4,523,000 for the previous year.

The result is in line with our expectations and although reductions in profit are always disappointing, it does need to be remembered that last year's figures benefited to a considerable degree by profits arising on commodity transactions. Income from investments has improved despite the absence this year of special payments following the abolition of dividend control in July, 1979, and is largely due to the increased distribution from our principal investment in The British & Commonwealth Shipping Company Limited. Although we shall receive no benefit in terms of an increase *in final dividend from this source during the current year, we* have felt that some improvement was justified in the rate of our own final dividend payable in respect of the year under review.

Our trading subsidiaries have been subject to the full force of the recession during the year, but have had mixed fortunes. The Urquhart Engineering Group are to be congratulated for, due largely to technical innovation, they have actually increased their profit despite many difficulties, not least the effect of the strong £ upon their export markets. On the other hand, Amber Industrial Holdings has seen its pre-tax profit reduced from £394,000 to £102,000. The principal reasons for the decline have been higher financing charges in respect of capital expenditure undertaken in earlier periods; an unsatisfactory contract in the refractory fittings side; and some fall off in business available to the cold storage facilities.

During the year we took the decision to wind up the affairs of our South African subsidiary and remit the proceeds to the United Kingdom; there no longer seemed a purpose in maintaining a direct interest out there. We also disposed, satisfactorily, of our investment in L.C.G. Holdings, which had been held for a number of years.

In order to comply with the requirements upon us, we have included current cost statements, so far as they relate to our trading subsidiaries, as supplementary information. I would have some doubt of their relevance in a group such as ours *but, nevertheless, the information has been provided.*

Finally, I would wish to thank once more all those people who work for the various companies within the two trading groups for their considerable efforts during a difficult year.

The report and accounts were adopted.

UK COMPANY NEWS

MINING NEWS

Bridge Oil gem mine in Guinea to by-pass CSO

BY KENNETH MARSTON, MINING EDITOR

A NEW $70m (£38m) diamond mining venture planned for Guinea, West Africa, intends to sell its output outside the auspices of the De Beers Central Selling Organisation which markets over 80 per cent of world production of rough (uncut) diamonds.

Bridge Oil, the Australian oil and gas producer, will have a stake of 45 per cent and the Republic of Guinea will have 50 per cent. The remaining 5 per cent will be shared by **Simonius Vischer** of Basle, Switzerland, and **Industrial Diamond Company** of London.

Production is scheduled for August 1983 with an output of approximately 200,000 carats in the first year and aprogressive rise to a rate of 500,000 carats a year in 1985. Prospecting samples have shown a value of $230 per carat.

The projected output is tiny compared with production at the De Beers group mines which amounted to 14.7m carats last year. But it is estimated that the Guinea mine could make a net profit of some $18m per annum in the first two years of operation, subsequently rising to an annual $68m.

The lease covers 23,000 square kilometres in the Kissidougou Banankor area of Guinea, close to the border with Sierra Leone: Bridge says that so far reserves of gem quality diamonds "in the order of 1m carats" have been indicated.

The proximity of the, mainly alluvial, deposits to those in Sierra Leone lends strength to hopes of a high gem content. It is also a reminder that a Selection Trust subsidiary fought for years a losing battle with illegal diamond miners in Sierra Leone.

Marketing of the Bridge consortium's 70 per cent share of production will be handled by **Aredor Sales**, managed by Industrial Diamond Company, which already purchases a portion of the diamond output of Sierra Leone and Zaire.

Meanwhile the world diamond market remains depressed and the CSO is carrying heavy stocks purchased under its guarantees. A major revival in demand is needed in view of the expanding production capacity of the De Beers group which aims at a yearly rate of 19m carats by 1983 and the Australian Ashton project's target of some 22m carat's annual capacity by 1985.

Dome Pete takes control of Cyprus Anvil Mining

CANADA'S **Dome Petroleum** plans to buy **Cyprus Anvil Mining**, which operates a large lead and zinc mine in the Yukon. Dome Pete has already acquired 63 per cent of Cyprus Anvil's capital for a total of about C$213m (£94m), and intends to offer the remaining shareholders the same price, putting a value of some C$339m on Cyprus Anvil.

The oil company's offer of C$44.25 a share was made through its 53 per cent-owned subsidiary **Hudson's Bay Oil and Gas**, which was acquired from **Conoco** earlier this year. The Cyprus Anvil shares were bought from **Cyprus Mines** of the U.S., a subsidiary of **Standard Oil of Indiana**.

Cyprus Mines was Cyprus Anvil's controlling shareholder when it was acquired by Indiana Standard in 1979, but the oil major was unable to obtain approval from Canada's Foreign Investment Review Agency for a transfer of the ownership of the Canadian concern.

Cyprus Anvil executives told our Toronto correspondent that they were pleased to have the direct link with Hudson's Bay Oil and Gas. The two companies know each other well, having been partners for several years in an ambitious hardrock mineral exploration programme which has so far turned up a promising lead - zinc - silver deposit in the Akie district of British Columbia.

Cyprus Anvil made a loss of C$6.9m in the first half of the year, compared with a profit of C$12m last time. The loss mainly reflects lower production of lead and zinc concentrates at its big open-cast operation in the Yukon, and weaker prices for lead and silver.

Output was reduced by the continuing programme of mill modernisation, coupled with the milling of metallurgically difficult ores from the No 2 zone. The company expects production to increase in the second half, as the modernisation programme will be completed and operations at No 2 zone have been stopped.

Canada's **Dome Mines** shares in the ownership of the companies concerned through its stake in Dome Pete. This has recently been increased to 26.9 per cent from 25.7 per cent through the purchase of 3m shares at an average price of US$20.26 a share, for a total of almost US$61m (£33m).

Dome Pete, in turn, owns 39.3 per cent of Dome Mines.

Hamersley in the red

AFTER having earned A$57.2m (£35m) last year, the **Rio Tinto-Zinc** group's Western Australian **Hamersley Holdings** iron ore giant has been operating at a loss in recent months.

This reflects reduced sales, the adverse effects of the rise in the value of the Australian dollar over that of the U.S. and work stoppages arising from continued indsutrial unrest.

Consolidated net earnings for the first six months of this year have dropped to A$6.57m compared with A$41.6m in the first half of 1980, while ore sales have fallen by 32.3 per cent in line with the recession in the world steel indsutry.

Hamersley has thus decided not to pay an interim dividend. Last year, the company doubled its dividend total to 16 cents. CRA has made a share offer for the 17.7 per cent minority it does not own in Hamersley. If the offer is accepted the interest of RTZ in CRA will fall to 55.2 per cent from 61.1 per cent.

Another RTZ group member, the Canadian **Rio Algom**, reports a drodp in first half 1981 earnings to C$38.8m (£17m) from C$47.6m a year ago. The 1980 total was C$77.5m.

The latest fall is mainly a reflection of the performance of the **Lornex** subsidiary which suffered from lo wmetal prices and reduced production of molybdenum.

NEW COURT

A resolution to increase the share capital of **New Court Resources** by way of a rights issue was approved at yesterday's EGM. Dealings will commence today.

LONDON TRADED OPTIONS

July 30 Total Contracts 1005. Calls 934, Puts 71.

Option	Ex'rcise price	Oct. Closing offer	Oct. Vol.	Jan. Closing offer	Jan. Vol.	April Closing offer	April Vol.	Equity close
BP (c)	280	48	1	58	—	70	—	320p
BP (c)	300	31	17	46	4	56	10	"
BP (c)	320	19	14	36	5	38	—	"
BP (c)	350	9	6	18	7	—	—	"
BP (c)	380	4	—	10	3	—	—	"
CU (c)	180	19	—	25	6	27	3	180p
CU (c)	200	9	—	13	—	20	10	"
Cons. Gld (c)	500	17	—	35	6	—	—	468p
Cons. Gld (c)	550	6	1	15	3	—	—	"
Court'lds (c)	70	4	—	6½	5	10	5	65p
Court'lds (c)	80	1	7	3	—	—	—	"
GEC (c)	700	62	10	87	—	107	—	738p
Gr'd Met. (c)	200	17½	21	28	1	30	2	206p
Gr'd Met. (p)	200	9	—	12	—	14	4	"
ICI (c)	240	42	10	—	—	—	—	278p
ICI (c)	260	24	47	40	10	48	—	"
ICI (c)	280	12	70	26	46	35	5	"
ICI (c)	300	6	29	15	120	—	—	"
ICI (c)	330	3	1	8	—	—	—	"
ICI (p)	260	9	—	13	—	18	2	"
ICI (p)	280	18	29	22	—	26	—	"
Shell (c)	360	42	8	52	2	66	—	390p
Shell (c)	420	9	2	21	—	—	—	"
Shell (p)	330	6	—	8	10	—	—	"
		August		November		February		
Barclays (c)	420	17	65	37	—	47	—	431p
Imperial (c)	60	2½	—	4½	5	6½	70	59p
Imperial (c)	70	¼	—	2	50	3	—	"
Lasmo (c)	500	80	8	117	—	140	—	584p
Lasmo (c)	650	10	—	37	3	—	—	"
Lonrho (c)	90	5	49	8	—	11	—	92p
Lonrho (c)	100	1½	29	4½	3	7	18	"
Lonrho (p)	100	8	24	13	—	15	—	"
P & O (c)	130	5	—	8	—	10½	6	136p
Racal (c)	420	17	2	37	—	53	—	426p
Racal (c)	460	4	—	17	—	33	2	"
Racal (p)	390	3	—	9	—	12	2	"
RTZ (c)	460	110	15	117	—	130	—	568p
RTZ (c)	500	70	48	90	—	115	—	"
RTZ (c)	550	32	51	65	10	80	1	"

C=Call P=Put

Gallaher down £13.6m: some recovery expected

THE COMBINATION of a "savage" increase in tobacco tax and the continuing recession have severely affected the second quarter results of Gallaher, the tobacco, cigarette, cigar and snuff manufacturer.

For the three months to June 30, pre-tax profits almost halved, tumbling from £20.6m to £10.8m, and left the figure for the first half of 1981 some 27 per cent lower at £35.7m; compared with £49.3m.

Mr S. G. Cameron, the chairman, says some recovery is expected in the second half but full year figures are likely to remain below 1980's record £80.8m.

Group sales for the second three months of the current year totalled £421.5m (£439.8m) excluding VAT or its equivalent, and for the six months were lower at £924.8m (£964.4m), before inter-divisional sales.

Sales and profits for 1980 include figures for the wholesaling businesses in England and Scotland which were sold towards the end of that year.

Interest charges for the second quarter took £0.4m (£0.5m) and for the half year totalled £1.2m (£0.8m). Depreciation for the periods accounted for £4m (£3.6m) and £7.8m (£7.1m).

A divisional breakdown of sales and group trading profits before interest for the first half of 1981 shows: tobacco £668.2m (£643.8m) and £29.9m (£37.5m); pumps and valves £33.7m (£38.2m) and £1.5m loss (£3.8m profit); optical £23.1m (£22.9m) and £3.9m (£4.8m); distribution £199.8m (£241.5m) and £5m (3.2m). Inter-divisional sales totalled £51m (£55.3m). All comparable figures have been restated.

Mr Cameron says the 30 per cent tobacco tax increase in the Budget was expected to cause a reduction in consumer demand for cigarettes and and even sharper dip in trade demand where stocks were high.

He points out that in July, just when demand was starting to recover, a further 3p tax increase was imposed and in the interests of the consumer, the trade and the company's employees, it was decided to bear the increase for the present.

Sales of the group's tobaccos and cigars, however, have not suffered as much as cigarettes, and exports to West Germany from both the UK and Dutch subsidiary, Niemeyer, continue to be excellent.

The chairman says the UK and Italian-based engineering operations are having to endure a severe recession in their home markets. No further deterioration has occurred, but equally there has been little sign of any consistent upturn, he says.

Poor half year results reflect heavy reorganisation costs incurred at Saunders Valve and an industrial relations dispute, now resolved, at Mono Pumps. The results for the second half are expected to be rather better. Overseas performance has been strong, particularly in South Africa, Australia and the U.S.

In the optical division, depressed consumer demand reduced results but latest indications show a very gradual improvement. A good contribution is expected in the future from the recently-acquired businesses: Italian results are ahead of last year despite the economic climate.

In distribution, performance has continued to be very satisfactory, helped by tighter cost control. Integration of the newly-acquired ISS vending business is going well.

Brasway dives to £70,000 full-time

PRE-TAX profits of Brasway dropped sharply from £400,603 to £70,264 in the year to May 2 1981. Turnover of this iron and steel scrap processor and tube manufacturer rose from a 53-week total of £17.2m to £19.08m. At halfway, the group reported a loss of £195,836 compared with profits of £203,530.

The final dividend is unchanged at 2p for a total down from 4p to 3p. Mr R. A. Swaby, the chairman, waived interim dividends paid on January 17 1980 and on February 2 1981.

There was a tax charge of £23,702 (£29,860), and stated earnings per 10p share have dropped from 17.98p to 2.26p. Net asset value per share increased from 101p to 111p.

A property acquired during the year has been professionally revalued on existing use basis, giving rise to an addition to reserves of £212,092.

On a CCA basis, pre-tax profits were £98,649.

Dunbar shows £365.000 at halftime

IN THE half year ot June 30, 1981 **Dunbar**, the banker quoted on the Unlisted Securities Market, made a pre-tax profit of £364.676. For the whole of 1980 profit was £562,553.

An interim dividend of 3.75p net per £1 share is to be paid against an interim last time of 3.1p. Earnings per share for the half year stated at 18.14p.

Mr Michael Allsopp, chairman, says the integration of the group's fund management business with Tower Fund Managers represents a challenge to management which is being seized with enthusiasm.

"I am confident that it will be successfully completed within a short period and that our newly enlarged group will once again achieve a satisfactory increase in earnings this year."

Tax took £183,300 and the retained balance came out at £143,876.

COLONIAL SECS. TRUST HIGHER

Gross revenue of the Colonial Securities Trust Company advanced from £292,000 to £380,300 for the first half of 1980 and after-tax revenue showed an increase to £212,600, against £161,800. Tax took £127,800, compared with £103,100.

The net interim dividend is being stepped up from 0.7p to 0.8p per share, after adjusting for the sub-division of shares—last year's final was an equivalent 1.6p.

At the half-year, net asset value per share was up from 67.875p to 71.5p.

Serious textile problems continue to hit Steinberg

A SECOND HALF loss of £462,000 against profits of £364,000 is reported by Steinberg Group, and this resulted in losses of £834,000 for the full year to March 28 1981. In the previous year, this ladies' clothing and handbag manufacturer reported pre-tax profits of £558,000. Turnover for the full year rose from £26.23m to £29.07m.

The Board says the problems of the textile industry remain serious. To forecast anything in this climate would be unwise, nonetheless, efforts continue to be made to control costs, increase efficiency, and improve and adapt the products to suit the market.

The final dividend is a nominal 0.01p (0.7798p) for a total of 0.02p (1.0998p). There is a loss per 10p share of 6.77p (earnings 2.63p).

There was a tax charge of £51,000 (£209,000), and after minority credits of £6,000 (£3,000 debits) and extraordinary debits of £433,000 (£65,000), the attributable loss was £1.31m against profits of £281,000.

The directors say the extraordinary items arise from a reorganisation programme, which is now largely complete, and has involved centralising clothing operations at Milton Keynes and re-structuring manufacturing capacity to service trading activities.

Exchange differences arising from translation of the opening balance sheets of overseas subsidiaries and associated companies have been taken direct to reserves in accordance with recommended accounting practice. The previous year's figures have been re-stated accordingly.

On a CCA basis, there was a pre-tax loss of £1.15m (£40,000 profit).

RIVER & MERC.

Pre-tax revenue of the River and Mercantile Trust for the half year to June 30 1981 was £1.21m compared with £1.38m. The interim dividend of 2.5p net is maintained after adjustment for last year's one-for-one scrip issue, and a final of 5p is forecast which would make a same-again adjusted total.

Earnings per 25p share are shown to have slipped to 3.32p from 3.74p and net asset value per share risen to 180.85p from 143.59p.

Tax took £391,425 compared with £454,675.

EUROPEAN OPTIONS EXCHANGE

Series		Aug. Vol.	Aug. Last	Nov. Vol.	Nov. Last	Feb. Vol.	Feb. Last	Stock
GOLD C	$425	10	4	—	—	35	38	$408
GOLD C	$450	5	2	—	—	1	27.50	"
GOLD C	$475	—	—	18	8	8	15.50	"
GOLD C	$500	—	—	12	5	5	14.50	"
GOLD P	$400	6	11.50	—	—	—	—	"
GOLD P	$425	—	—	6	30	—	—	"
GOLD P	$450	5	48 B	—	—	5	50	"
		Oct.		Jan.		April		
ABN C	F.300	5	8.50	—	—	2	19	F.292
AKZO C	F.22.50	70	4.50	—	—	—	—	F.26
AKZO C	F.25	45	2.50	55	3.60	23	4.40	"
AKZO C	F.27.50	35	1.40	10	2	9	2.80	"
AKZO P	F.25	55	0.70 A	10	1.20	—	—	"
AMRO C	F.60	—	—	5	1.20	—	—	F.58.50
HEIN C	F.45	38	3.50	—	—	8	5.50	F.45.30
HEIN C	F.50	5	1.90	5	2.60	—	—	"
HEIN P	F.45	20	2	—	—	21	3.80	"
HEIN P	F.50	10	5.80	—	—	—	—	"
HOOG C	F.15	20	3.80	—	—	—	—	F.18.80
HOOG C	F.20	20	0.90	52	1.40	—	—	"
HOOG P	F.17.50	10	0.60	20	1.10 A	—	—	"
IBM C	$60	—	—	2	5⅛	11	4¼	$54½
KLM C	F.100	—	—	2	15	4	17.50	F.100
KLM C	F.110	60	6.70	—	—	—	—	"
KLM C	F.120	2	4	—	—	—	—	"
KLM C	F.130	10	2.50	—	—	—	—	"
KLM P	F.60	10	0.50	—	—	—	—	"
KLM P	F.90	7	4.70	—	—	—	—	"
KLM P	F.100	—	—	12	10.50	—	—	"
NEDL C	F.130	5	12.50	—	—	—	—	F.138.50
NEDL C	F.140	—	—	40	9.30	—	—	"
NEDL C	F.150	13	3	—	—	—	—	"
NATN C	F.115	—	—	3	5.80	—	—	F.112.90
NATN P	F.115	—	—	10	5	—	—	"
PHIL C	F.17.50	10	6.90	—	—	—	—	F.24
PHIL C	F.20	15	4.60 B	—	—	—	—	"
PHIL C	F.22.50	173	2.60	108	3.80	14	4.50	"
PHIL C	F.25	622	1.40	321	2.30	202	3.10	"
PHIL C	F.27.50	290	0.60	160	1.20	—	—	"
PHIL P	F.20	4	0.30	—	—	—	—	"
PHIL P	F.22.50	5	0.60	—	—	—	—	"
PHIL P	F.25	63	1.60	391	1.90	—	—	"
RD C	F.80	5	12	—	—	25	—	F.89.60
RD C	F.90	11	5	4	7	2	8.50	"
RD C	F.100	84	1.60	11	3	—	4.30 A	"
RD P	F.80	28	1.90	—	—	—	—	"
RD P	F.90	5	5.80 B	—	—	—	—	"
UNIL C	F.140	10	7.20	5	10	—	—	F.144.40
UNIL P	F.140	—	—	7	4.50	—	—	"
UNIL P	F.150	5	7.50	—	—	—	—	"
UNIL P	F.160	5	16.50	—	—	—	—	"
		Aug.		Nov.		Feb.		
BOEI P	$30	—	—	10	3⅜	—	—	$27⅛
BASF C	DM.140	4	6.60	—	—	—	—	DM145.30
SLY C	$65⅝	21	5⅛	—	—	—	—	$65⅞

TOTAL VOLUME IN CONTRACTS 5461

A=Asked B=Bid C=Call P=Put

BASE LENDING RATES

Bank	Rate
A.B.N. Bank	12 %
Allied Irish Bank	12 %
American Express Bk.	12 %
Amro Bank	12 %
Henry Ansbacher	12 %
AP Bank Ltd.	12 %
■ Arbuthnot Latham	12 %
Associates Cap. Corp.	12 %
Banco de Bilbao	12 %
BCCI	12 %
Bank of Cyprus	12 %
Bank of N.S.W.	12 %
Banque Belge Ltd.	12 %
Banque du Rhone et de la Tamise S.A.	12½ %
Barclays Bank	12 %
Beneficial Trust Ltd.	13 %
Bremar Holdings Ltd.	13 %
Bristol & West Invests.	13 %
Brit. Bank of Mid East	12 %
■ Brown Shipley	12½ %
Canada Perm't Trust	13 %
Cayzer Ltd.	12 %
Cedar Holdings	12 %
■ Charterhouse Japhet	12 %
Choulartons	12 %
C. E. Coates	12 %
Consolidated Credits	12 %
Co-operative Bank	*12 %
Corinthian Secs.	12 %
The Cyprus Popular Bk.	12 %
Duncan Lawrie	12 %
Eagil Trust	12 %
E. T. Trust Limited	12 %
First Nat. Fin. Corp.	14 %
First Nat Secs. Ltd.	14 %
Robert Fraser	12 %
Antony Gibbs	12 %
Greyhound Guaranty	12 %
Grindlays Bank	‡12 %
■ Guinness Mahon	12 %
■ Hambros Bank	12 %
Heritable & Gen. Trust	12 %
■ Hill Samuel	§12 %
C. Hoare & Co.	†12 %
Hongkong & Shanghai	12 %
Knowsley & Co. Ltd.	12½ %
Langris Trust Ltd.	12 %
Lloyds Bank	12 %
Mallinhall Limited	12 %
Edward Manson & Co.	13 %
Midland Bank	12 %
■ Samuel Montagu	12 %
■ Morgan Grenfell	12 %
National Westminster	12 %
Norwich General Trust	12 %
P. S. Refson & Co.	12 %
Ryl. Bk. Canada (Ldn.)	12 %
Slavenburg's Bank	12 %
E. S. Schwab	13 %
Standard Chartered	‖12 %
Trade Dev. Bank	12 %
Trustee Savings Bank	12 %
TCB Ltd.	12 %
United Bank of Kuwait	12 %
Whiteaway Laidlaw	12½ %
Williams & Glyn's	12 %
Wintrust Secs. Ltd.	12 %
Yorkshire Bank	12 %

■ Members of the Accepting Houses Committee.

* 7-day deposits 9%, 1-month 9¼%. Short term £8,000/12 months 11.85%.

† 7-day deposits on sums of £10,000 and under 9%, up to £50,000 10% and over £50,000 11%.

‡ Call deposits £1,000 and over 9%.

§ Demand deposits 9¼%.

‖ 21-day deposits over £1,000 10¼%.

Industry foresees little rise in demand yet

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

MANUFACTURING industry faces the prospect of several months without even a modest pick-up in demand after two years of decline. But it is unlikely that output will fall much further, although redundancies will continue at a rapid rate.

Export prices have risen more rapidly during the past four months in some industries, and the changes in exchange rates have eased some companies' problems.

These are the main conclusions of the CBI's quarterly industrial trends survey, published yesterday, on the basis of information provided by more than 1,800 companies during the first half of this month.

"The results of this survey, taken in conjunction with those of earlier surveys, show quite clearly that the decline in demand and output which occurred so precipitously after April last year has more or less stopped," the CBI comments.

"Unfortunately there are no signs of any significant recovery in output occurring in the near future, although the situation naturally varies between firms, nor even of a modest pick-up in overall demand."

Adjusted views

There are marginal improvements in the number of companies working below full capacity, those working below a "satisfactory" full rate of operation, and those saying their order books are above "normal."

But the significance of even these extremely small improvements is reduced because the CBI believes that, as the recession has developed, companies have adjusted their views of what is "normal" and "satisfactory." Companies have also trimmed back their operations, so reducing the levels of what they regard as "full capacity."

Similarly, an apparent improvement in businessmen's confidence needs to be qualified.

The survey shows that 17 per cent of participants are more optimistic than four months ago about the situation in their own industries. Another 67 per cent indicate no change, and 15 per cent are less optimistic.

The balance of 2 per cent between those expressing more rather than less optimism is the first positive balance since April 1979. But the CBI warns that "optimism remains at a very low level" and that the change may reflect people becoming accustomed to their problems.

Improvements are most noticeable among producers of intermediate goods. Producers of consumer goods show no improvement, while producers of capital goods are neutral. There is no discernible difference in view between small or large companies.

The volume of total new orders rose over the past four months for 21 per cent of the participants, while 35 per cent reported a decline. This indicates that demand weakened less after April than in the previous eight months.

A total of 35 individual industries said that the level of new orders fell after April, but higher demand was reported by nine industries, notably agricultural machinery and paper products.

Over the next four months a further significant improvement is indicated by the survey which showed that 20 per cent of participants expect a higher level of new orders while 16 per cent expect a decline.

The CBI points out that this would still yield a positive balance of plus 4 per cent and warns: "There has been a tendency for the expectations in answer to this question not to be entirely fulfilled by the subsequent turnout in the following survey."

The figures therefore are "indicative only of a levelling off in the sharp decline in demand and not as yet as any recovery in orders."

The volume of total order books is said to be above normal by 4 per cent of companies compared with 3 per cent in April, while those saying they are normal have risen from 20 per cent to 25 per cent. Below normal levels are reported by 70 per cent, compared with 76 per cent in April.

Below capacity

A total of 78 per cent say they are still working "below a satisfactory full rate of operation" compared with 84 per cent last winter and 82 per cent in April, but the levels are "still historically very high."

Intermidiate goods industries have improved most, reflecting less below-capacity working in the textiles industry and in companies covered by the broad chemicals, coal and petroleum products industrial classification.

For the next four months, 15 per cent of companies expect an increase in output volume, just higher than the 14 per cent expecting a fall. This produces the first positive balance, albeit of only 1 per cent, between those expecting an increase rather than a decrease.

The CBI comments that while there might be a small rise in output, it is equally likely that there will be a further slight fall.

A shortage of orders or sales are quoted by 92 per cent as a factor limiting output. This is marginally below the 96 per cent recorded in January and 93 per cent in April. But it is still about 10 per cent above the highest levels recorded for most of the past 30 years.

Investment intentions remain weak, with 21 per cent expecting to authorise more capital expenditure on plant and machinery during the next 12 months while 44 per cent expect to authorise less. Only 11 per cent expect to authorise more spending on buildings, while 46 per cent expect less.

The CBI says these results indicate that the year-on-year decline in expenditure in 1982 could be nearly 10 per cent in volume terms. Investment spending is unlikely to start to rise until the second half of next year.

Most of the capital expenditure planned over the next 12 months will be aimed at increasing efficiency or will be spent on replacement programmes.

Reductions in the numbers of people employed during the past four months are reported by 67 per cent, while only 5 per cent say they have employed more people.

The balance of minus 62 per cent suggests a slight easing in the rate of redundancies when compared with minus 68 per cent in April and minus 70 per cent in January.

Over the next four months the negative balance will fall to minus 46 per cent according to predictions made by participants. This indicates less labour shedding than in any quarter since April last year. But there will still be a "considerable reduction in manufacturing employment," the CBI warns.

Output price inflation is likely to remain at a low level in the next few months, with a balance of only plus 28 per cent expecting their prices to rise rather than fall in the next four months.

Confidence about export prospects has improved, with a balance of plus 12 per cent, saying they are more rather than less optimistic for the next 12 months, compared with plus 1 per cent in April.

About 20 per cent expect an increased intake of export orders in the next four months and 11 per cent a lower intake. The balance of plus 9 per cent suggests there might be a rise in export demand.

A total of 77 per cent of exporting companies expect their price levels to be a factor limiting their order intake. This is a drop from 85 per cent in April, which was a record figure.

Industrial Trends Survey No. 81. July 1981, CBI, Centre Point, London, WC1. Price £110.

TOTAL TRADE—All figures are percentages on a weighted sample. Figures in parentheses show the response to the survey carried out last April. Number of respondents, 1,826.

	More	Same	Less
Are you more or less optimistic than you were four months ago about the general business situation in your industry	17 (16)	67 (61)	15 (22)

Do you expect to authorise more or less capital expenditure in the next 12 months than you authorised in the past 12 months on:	More	Same	Less	N/A
(a) Buildings	11 (9)	31 (30)	46 (49)	11 (13)
(b) Plant and machinery	21 (21)	34 (27)	44 (51)	1 (1)

	Yes	No	N/A
Is your present level of output below capacity (i.e. are you working below a satisfactory full rate of operation)	78 (82)	22 (17)	1 (—)

Excluding seasonal variations, do you consider that in volume terms:

	Above normal	Normal	Below normal	N/A
(a) Your present total order book is	4 (3)	25 (20)	70 (76)	1 (—)

	More than adequate	Adequate	Less than adequate	N/A
(b) Your present stocks of finished goods are	23 (28)	63 (57)	3 (2)	11 (13)

Excluding seasonal variations, what has been the trend over the *past four months, and what are the expected trends for the next* four months, with regard to:

	Trend over past four months				Expected trend over next four months			
	Up	Same	Down	N/A	Up	Same	Down	N/A
Numbers employed	5 (5)	28 (22)	67 (73)	— (—)	6 (4)	42 (38)	52 (58)	— (—)
Volume of total new orders	21 (15)	42 (39)	35 (45)	2 (1)	20 (20)	62 (56)	16 (22)	2 (1)
of which: Domestic orders	17 (12)	48 (44)	34 (43)	2 (1)	18 (18)	65 (61)	16 (19)	2 (1)
Volume of output	16 (14)	54 (45)	29 (40)	1 (—)	15 (17)	71 (62)	14 (21)	1 (—)
Volume of domestic deliveries	17 (13)	50 (43)	32 (42)	1 (2)	18 (17)	65 (59)	15 (23)	1 (1)
Stocks of: (a) Raw materials and brought-in supplies	8 (6)	50 (41)	38 (50)	4 (3)	7 (7)	67 (61)	22 (29)	4 (3)
(b) Work in progress	8 (9)	51 (44)	31 (37)	10 (9)	7 (7)	61 (59)	21 (25)	10 (10)
(c) Finished goods	12 (13)	42 (38)	34 (35)	12 (13)	9 (8)	58 (53)	22 (26)	12 (13)
Average costs per unit of output	50 (49)	42 (43)	7 (8)	— (—)	50 (54)	44 (40)	6 (6)	— (—)
Average prices at which: Domestic orders are booked	28 (27)	55 (52)	16 (21)	— (—)	35 (37)	57 (53)	7 (9)	— (—)

Approximately how many months' production is accounted for by your present order book or production schedule:

Less than 1	1-3	4-6	7-9	10-12	13-18	More than 18	N/A
17 (19)	46 (46)	11 (9)	3 (2)	1 (1)	2 (1)	1 (2)	20 (19)

What factors are likely to limit your output over the next four months:

Orders or sales	Skilled labour	Other labour	Plant capacity	Credit or finance	Materials or components	Other
92 (93)	3 (2)	1 (0)	6 (6)	2 (4)	2 (1)	1 (1)

	More than adequate	Adequate	Less than adequate
In relation to expected demand over the next 12 months is your present fixed capacity	63 (68)	34 (30)	2 (2)

What are the main reasons for any expected capital expenditure authorisations on buildings, plant or machinery over the next 12 months:

To expand capacity	To increase efficiency	For replacement	Other	N/A
11 (9)	66 (64)	50 (52)	7 (5)	13 (14)

What factors are likely to limit (wholly or partly) your capital expenditure authorisations over the next 12 months:

Inadequate net return on proposed investment	Shortage of internal finance	Inability to raise external finance	Cost of finance	Uncertainty about demand	Shortage of labour including managerial and technical staff	Other	N/A
38 (35)	22 (22)	3 (3)	9 (11)	52 (53)	1 (1)	2 (2)	13 (13)

EXPORT TRADE—Companies completing these questions have direct exports exceeding £10,000 per annum. Number of respondents, 1,318.

	More	Same	Less	N/A
Are you more or less optimistic about your export prospects for the next 12 months than you were four months ago	26 (21)	59 (59)	14 (20)	1 (1)

Excluding seasonal variations, do you consider that in volume terms:

	Above normal	Normal	Below normal	N/A
Your *present total order* book is	8 (6)	29 (27)	62 (66)	2 (1)

Excluding seasonal variations, what has been the trend over the past four months, and what are the expected *trends* for the next *four months, with regard to:*

	Trend over past *four months*				Expected trend over next *four months*			
	Up	Same	Down	N/A	Up	Same	Down	N/A
Volume of total new export orders	20 (18)	48 (46)	29 (33)	3 (2)	20 (18)	66 (64)	11 (17)	3 (2)
Volume of export deliveries	16 (20)	56 (44)	26 (33)	1 (3)	18 (18)	71 (59)	10 (20)	2 (3)
Average prices at which export orders are booked	27 (25)	57 (51)	14 (23)	1 (1)	37 (33)	57 (57)	5 (10)	1 (1)

What factors are likely to limit your ability to obtain export orders over the next four months:

Prices (compared with overseas competitors)	Delivery dates	Credit or finance	Quota and Import licence restrictions	Political or economic conditions abroad	Other
77 (85)	7 (6)	7 (5)	8 (8)	38 (35)	6 (6)

Scottish confidence remains unchanged

By Mark Meredith, Scottish Correspondent

THE FALL in economic activity in Scotland has slowed and some companies show signs of improving production, according to the July industrial trends issued by the Confederation of British Industry in Glasgow.

The trends showed business confidence had changed little since April compared with previous marked declines, although underutilisation of capacity remained widespread and investment intentions weak.

A separate quarterly survey of the Scottish economy by the *Fraser of Allander Institute* of Strathclyde University gave a *more gloomy forecast of* continued decline in economic activity and no hope for an improvement in employment in the foreseeable future.

The confederation's survey, based on replies from 172 manufacturing companies in Scotland, indicated for the third consecutive survey that the decline in the volume of output had eased and there were signs these may not fall further in the next four months.

A substantial 71 per cent reported output below capacity compared with 86 per cent in April. The chemicals, coal and petroleum products sector showed widespread underutilisation.

Illustrating weak investment plans, 11 per cent of the respondents expected to authorise capital spending on building and 20 per cent on plant and machinery.

The Fraser of Allander Institute predicted an increase of 55,000 jobless in Scotland to reach a total of 355,000 by next summer. The number of people out of work in Strathclyde had risen by 11,383 since March of this year.

"Whether high unemployment in these areas will lead to scenes similar to those recently experienced in Toxteth and Brixton in England remain to be seen," it said.

BRAZIL
STATE OF BAHIA
SECRETARY OF STATE FOR
MINES AND ENERGY
COMPANHIA DE ELETRICIDADE
DO ESTADO DA BAHIA
● COELBA ●
COMPANHIA AUXILIAR DE EMPRESAS
ELÉTRICAS BRASILEIRAS
● CAEEB ●

INVITATION TO SUPPLIERS OF ELECTRIC AND ELECTRONIC MATERIALS AND EQUIPMENT

I. COMPANHIA DE ELETRICIDADE DO ESTADO DA BAHIA — COELBA, established in the State of Bahia, Brazil, has obtained a Loan (71/IC-BR), from Interamerican Development Bank (IDB) and proposes to apply the Loan funds for the financing of a part of the expansion plan of its subtransmission and distribution system covering the period from 1981 to 1985.

II. COELBA will utilize the services of COMPANHIA AUXILIAR DE EMPRESAS ELÉTRICAS BRASILEIRAS — CAEEB in the procurement of related materials and equipment.

III. During the next 36 (thirty six) months, COELBA will issue invitations for international bidding for the supply of equipment, materials and services in the following approximate quantities:

ITEM	DESCRIPTION	APPROX. QUANTITY
01	Aluminium Conductors (ASCR)	1,000 ton
02	Aluminium Conductors (AAC)	147.6 ton
03	15KV — 1000 MCM Dry Insulated Single Cable	61,300 m
04	4.5 — 5/16 Overhead Ground Wire	18.9 ton
05	2AWG Bare Copper Cable	5.7 ton
06	2 x 12 AWG, 600 V Insulated Copper Cable	17,394 m
07	Voltage Regulators (single-phase and three-phase)	86 pieces
08	Power Transformers	308.5 MVA
09	Distribution Transformers	93,360 kVA
10	Auxiliary Services Transformers	13 pieces
11	Current Transformers (138 kV, 69 kV, 34.5 kV and 13.8 kV)	300 pieces
12	Potential Transformers	33 pieces
13	Protection, Control and Metering Panels	20 pieces
14	127V Single-Phase Watthour Meters	158,125 pieces
15	Capacitors Bank	8 sets
16	Capacitors	1,587 pieces
17	15 kV Three-Phase Oil Switches	83 pieces
18	Circuit Breakers	75 pieces
19	15 kV Single-Phase Disconnecting Switches	102 pieces
20	Single-Phase Fuse Disconnecting Switches (69kV, 34.5kV and 13.8 kV)	3,141 pieces
21	220V Magnetic Switches	231 pieces
22	Disconnecting Switches	896 pieces
23	Reclosers	126 pieces
24	Sectionalizers	160 pieces
25	Lightning Arresters	2,487 pieces
26	Metal Structures	473 ton
27	Insulators (Suspension, Pin and Spool)	150,000 pieces
28	Operation and Maintenance Equipment	

IV. These invitations will be completed by notification to the Diplomatic Representatives in Brazil, of the Interamerican Development Bank member countries, at the time the corresponding bidding documents are made available.

V. In the meantime, suppliers and manufacturers who wish to be included in a mailing list to receive the aforementioned invitations, are requested to write, stating which equipments and materials they are interested in supplying, to the following address:

COMPANHIA AUXILIAR DE EMPRESAS
ELÉTRICAS BRASILEIRAS — CAEEB
Attn: Coordenador de Compras
Avenida Rio Branco, 135 — 13° andar — Caixa Postal 823
20.000 Rio de Janeiro — CEP 20060 — Brasil

City Investing Company
US $50,000,000

City Investing Finance N.V.
Guaranteed Floating Rate Notes due 1986

In accordance with the provisions of the Notes, notice is hereby given that the rate of interest for the period from 31st July, 1981 to 1st February, 1982 has been established at $19\frac{7}{16}$ per cent per annum.

The interest payment date will be 1st February, 1982. Payment which will amount to US $99.89 per Note, will be made against the relative coupon.

Agent Bank
Bank of America International Limited

THE NORWEGIAN STATE AND MUNICIPAL POWER CONSORTIUM
SIRA-KVINA KRAFTSELSKAP
7¼% Sterling/Deutsche Mark Bonds 1983

S. G. WARBURG & CO. LTD., announce that Bonds for the nominal amount of £460,000 have been drawn in the presence of a Notary Public, for the redemption instalment due 1st September, 1981.

The numbers of the Bonds drawn are as follows:—

£500 Bonds

12012	12046	12071	12092	12098	12119	12124	12146	12148	12158
12161	12168	12183	12188	12197	12204	12215	12231	12241	12244
12275	12281	12297	12299	12305	12337	12343	12351	12359	12366
12374	12442	12444	12455	12457	12471	12474	12519	12526	12538
12545	12551	12560	12577	12605	12607	12620	12622	12738	12757
12765	12771	12781	12814	12823	12837	12845	12903	12908	12919
12922	12938	12958	12964	12997	13002	13009	13028	13044	13055
13068	13071	13087	13097	13109	13115	13122	13132	13172	13179
13186	13195	13203	13215	13225	13239	13241	13257	13283	13292
13300	13307	13318	13325	13346	13348	13397	13403	13422	13424
13441	13464	13469	13476	13483	13490	13495	13517	13521	13546
13548	13582	13585	13593	13600	13613	13619	13627	13636	13642
13662	13664	13682	13686	13733	13740	13749	13776	13789	13807
13825	13834	13843	13858	13860	13880	13894	13901	13915	13921
13927	13939	13946	13994	14000	14009	14024	14026	14036	14040
14045	14052	14059	14066	14071	14084	14091	14109	14114	14161
14164	14204	14215	14263	14269	14303	14315	14321	14331	14337
14344	14350	14363	14365	14376	14378	14394	14415	14429	14459
14466	14516	14533	14571	14581	14602	14604	14615	14617	14623
14633	14645	14656	14662	14673	14694	14729	14733	14766	14784
14799	14804	14810	14817	14834	14875	14906	14920	14926	14937
14939	14949	14951	14958	15013	15020	15026	15038	15047	15063
15074	15118	15140	15146	15197	15201	15224	15231	15238	15249
15254	15262	15440	15455	15479	15491	15503	15517	15519	15526
15564	15570	15578	15583	15591	15597	15605	15610	15627	15630
15640	15642	15649	15667	15672	15681	15687	15693	15700	15710
15713	15740	15742	15754	15756	15763	15770	15781	15815	15821
15833	15839	15878	15882	15892	15894	15947	15950	15965	15967
15978	15994	16002	16028	16045	16071	16073	16086	16088	16100
16107	16112	16120	16126	16143	16148	16155	16162	16172	16174
16185	16196	16202	16211	16217	16224	16250	16258	16279	16285
16295	16318	16332	16351	16359	16365	16372	16378	16386	16391
16398	16405	16425	16438	16449	16452	16464	16502	16509	16515
16530	16537	16559	16568	16581	16600	16605	16617	16620	16631
16633	16656	16664	16669	16681	16693	16715	16721	16745	16748
16760	16762	16772	16781	16788	16811	16818	16852	16868	16878
16890	16935	16937	16948	16950	16956	16963	16979	16987	16993
17004	17009	17017	17024	17060	17062	17086	17100	17117	17125
17131	17137	17149	17156	17162	17185	17191	17226	17228	17259
17262	17267	17275	17284	17291	17300	17307	17320	17331	17340
17361	17364	17389	17391	17399	17424	17433	17451	17458	17468
17479	17497	17502	17567	17570	17597	17605	17611	17633	17651
17702	17709	17715	17722	17737	17748	17758	17760	17771	17778
17799	17806	17814	17832	17869	17897	17906	17918	17927	17938
17953	17965	17970	17978	17985	17991	18007	18013	18226	18232
18242	18245	18257	18259	18273	18283	18290	18303	18310	18317
18328	18335	18343	18356	18358	18383	18386	18392	18430	18436
18457	18471	18485	18491	18499	18507	18518	18520	18532	18534
18545	18552	18561	18574	18585	18602	18610	18617	18626	18647
18650	18662	18664	18674	18683	18692	18702	18708	18718	18729
18762	18767	18782	18784	18817	18820	18826	18833	18838	18846
18852	18859	18865	18875	18878	18891	18893	18904	18909	18924
18935	18941	18951	18963	18970	18979	19003	19005	19021	19023
19029	19037	19050	19066	19076	19083	19092	19099	19107	19119
19128	19139	19142	19147	19154	19190	19198	19205	19212	19221
19310	19329	19348	19350	19387	19389	19395	19407	19413	19432
19437	19449	19460	19471	19479	19491	19496	19506	19509	19515
19521	19527	19535	19540	19547	19554	19961	19966	20330	20332
20343	20345	20351	20359	20459	20467	20473	20479	20486	20496
20499	20510	20512	20523	20525	20531	20538	20545	20551	20557
20565	20570	20581	20584	20594	20596	20607	20610	20615	20622
20629	20636	20641	20649	20655	20666	20668	20678	20680	20687
20694	20700	20707	20713	20720	20726	20733	20739	20750	20752
20762	20765	20771	20778	20784	20792	20797	20804	20811	20817
20823	20834	20836	20847	20850	20856	20862	20869	20876	20881
20888	20895	20902	20907	20918	20921	20932	20934	20940	20947
20953	20960	20966	20973	20979	20986	20992	21003	21005	21016
21018	21024	21031	21037	21044	21050	21058	21063	21074	21077
21087	21089	21100	21103	21108	21116	21122	21128	21135	21142
21147	21159	21161	21171	21173	21180	21187	21192	21200	21206
21213	21219	21226	21232	21243	21246	21261	21264	21291	21366
21372	21383	31289	21401	21408	21414	21420	21439	21441	21459
21461	21468	21477	21484	21498	21504	21519	21530	21538	21544
21556	21559	21576	21578	21584	21590				

£100 Bonds

12	21	40	47	63	78	90	99	109	118
133	138	149	160	168	180	191	202	223	230
239	251	258	270	280	331	345	351	361	372
382	391	401	411	428	438	447	470	479	488
499	508	522	527	536	547	555	564	575	583
597	606	621	632	641	649	672	681	700	709
732	744	751	761	773	790	808	886	898	911
919	931	945	955	971	978	986	997	1006	1014
1025	1034	1048	1053	1062	1074	1081	1090	1110	1119
1134	1144	1157	1175	1184	1193	1220	1230	1250	1259
1272	1285	1307	1315	1326	1335	1350	1366	1365	1388
1398	1411	1423	1432	1453	1484	1496	1509	1517	1530
1544	1554	1567	1574	1582	1594	1606	1614	1642	1652
1673	1679	1699	1713	1720	1735	1750	1758	1772	1778
1793	1804	1824	1834	1843	1882	1896	1902	1911	1922
1931	1939	1950	1980	1996	2002	2021	2047	2061	2070
2081	2090	2110	2117	2158	2168	2177	2221	2231	2240
2254	2260	2271	2283	2291	2299	2311	2324	2349	2357
2367	2382	2390	2399	2410	2419	2433	2507	2524	2537
2552	2561	2574	2583	2601	2607	2615	2641	2649	2703
2716	2726	2739	2745	2757	2769	2777	2798	2808	2816
2830	2838	2863	2874	2882	2892	2901	2916	2935	2942
2950	2962	2974	2982	2998	3007	3021	3031	3041	3062
3072	3083	3094	3102	3119	3125	3135	3145	3162	3171
3192	3201	3216	3221	3232	3248	3256	3275	3300	3309
3327	3332	3341	3353	3360	3370	3380	3413	3438	3444
3455	3483	3492	3506	3526	3535	3584	3591	3603	3629
3638	3646	3657	3666	3680	3689	3701	3713	3720	3730
3740	3748	3771	3811	3820	3861	3872	3896	3938	3953
3976	3982	3991	4004	4015	4023	4034	4043	4059	4064
4085	4101	4109	4118	4129	4339	4353	4359	4367	4380
4388	4399	4408	4417	4436	4442	4452	4463	4474	4482
4493	4502	4518	4523	4532	4544	4551	4564	4580	4593
4613	4619	4630	4641	4649	4669	4680	4691	4719	4726
4735	4755	4767	4783	4793	4817	4831	4836	4846	4870
4891	4900	4911	4919	4936	4942	4950	4962	4970	4980
4994	5010	5028	5033	5049	5062	5070	5080	5090	5099
5117	5122	5137	5151	5159	5175	5186	5194	5209	5218
5226	5244	5263	5272	5281	5304	5319	5329	5342	5359
5367	5380	5391	5404	5419	5424	5434	5449	5456	5466
5476	5485	5498	5517	5530	5545	5556	5576	5590	5599
5619	5626	5636	5647	5665	5671	5687	5696	5716	5724
5735	5748	5757	5768	5786	5796	5810	5816	5829	5849
5858	5884	5900	5911	5930	5946	5958	5971	5978	5989
5999	6011	6032	6037	6046	6059	6067	6080	6092	6105
6118	6126	6134	6152	6160	6168	6182	6199	6220	6225
6234	6254	6261	6270	6281	6290	6304	6309	6324	6338
6346	6375	6386	6394	6416	6422	6436	6447	6456	6464
6474	6484	6498	6504	6515	6527	6534	6548	6559	6568
6584	6594	6604	6616	6625	6634	6645	6653	6667	6674
6683	6700	6712	6720	6730	6740	6758	6771	6783	6797
6810	6820	6836	6849	6879	6886	6897	6911	6925	6938
6950	6963	6983	6989	6998	7011	7021	7032	7042	7062
7076	7081	7097	7109	7117	7130	7141	7154	7168	7176
7184	7195	7205	7214	7224	7233	7252	7258	7270	7281
7296	7304	7315	7324	7339	7344	7356	7375	7382	7392
7402	7423	7447	7452	7462	7476	7485	7495	7506	7517
7537	7547	7556	7572	7587	7597	7610	7627	7643	7649
7681	7693	7702	7711	7722	7730	7745	7752	7765	7832
7854	7870	7879	7892	7905	7912	7920	7932	7940	7951
7962	7988	8002	8007	8021	8034	8041	8065	8076	8084
8104	8115	8139	8155	8177	8191	8201	8216	8235	8242
8255	8267	8282	8291	8304	8315	8332	8338	8353	8366
8375	8387	8397	8406	8420	8426	8436	8453	8462	8471
8481	8497	8516	8523	8535	8566	8575	8586	8607	8616
8630	8636	8651	8662	8671	8686	8708	8717	8743	8753
8769	8779	8797	8807	8820	8829	8847	8853	8862	8881
8892	8903	8914	8925	8940	8945	8959	8986	8993	9003
9013	9021	9048	9055	9064	9079	9089	9109	9118	9129
9142	9149	9157	9168	9177	9185	9196	9205	9224	9235
9252	9266	9277	9286	9299	9307	9323	9329	9340	9350
9358	9368	9377	9392	9407	9413	9433	9449	9458	9466
9477	9486	9508	9518	9530	9543	9550	9574	9589	9601
9620	9629	9642	9660	9669	9678	9688	9697	9733	9741
9754	9765	9773	9782	9802	9812	9835	9845	9857	9869
9876	9887	9897	9906	9925	9943	9954	9966	9974	9987
9997	10009	10078	10100	10128	10144	10152	10161	10171	10184
10198	10204	10224	10239	10255	10264	10274	10283	10312	10321
10331	10347	10362	10372	10381	10400	10413	10419	10441	10470
10481	10504	10524	10538	10564	10569	10589	10605	10613	10627
10637	10645	10659	10716	10727	10738	10747	10756	10767	10783
10797	10802	10811	10823	10831	10840	10850	10860	10873	10878
10888	10899	10907	10916	10926	10935	10948	10955	10963	10975
10983	10992	11002	11011	11025	11030	11039	11051	11059	11068
11078	11087	11101	11106	11116	11127	11135	11144	11154	11163
11176	11183	11191	11202	11211	11220	11230	11239	11253	11258
11267	11279	11286	11296	11306	11315	11329	11334	11344	11355
11362	11372	11382	11391	11404	11411	11423	11436	11446	11459
11471	11483	11496	11503	11512	11523	11531	11540	11555	11564
11580	11585	11594	11606	11617	11627	11638	11649	11665	11673
11684	11698	11727	11736	11747	11758	11771	11776	11786	11797
11805	11814	11825	11850	11863	11868	11971	11983	11990	12000

On 1st September, 1981, there will become due and payable upon each Bond drawn for redemption the principal amount thereof, together with accrued interest to said date at the office of:—

S. G. WARBURG & CO. LTD.,
30, Gresham Street, London EC2P 2EB.,

or with one of the other paying agents named on the Bonds.

Interest will cease to accrue on the Bonds called for redemption on and after 1st September, 1981 and Bonds so presented for payment must have attached all coupons maturing after that date.

£940,000 nominal amount of Bonds will remain outstanding after 1st September, 1981.

The following Bonds, previously drawn for redemption on the dates stated below, have not as yet been presented for payment.

1st September, 1973
£100 Bond No: 4350

1st September, 1977
£100 Bonds
4341 6438

1st September, 1978
£100 Bonds
483 4343 7714 7251 8455

1st September, 1979
£500 Bonds
12527 12959 12966 18255

£100 Bonds
371 683 4340 4349 7953

1st September, 1980
£500 Bond No: 16248

£100 Bonds
131 182 375 482 529 595 623
1426 2347 4074 4342 8806 10130

30, Gresham Street, London EC2P 2EB.
31st July, 1981

CURRENCIES, MONEY and GOLD

WORLD VALUE OF THE DOLLAR

Bank of America NT & SA, Economics Department, London

The table below gives the rates of exchange for the U.S. dollar against various currencies as of Wednesday, July 29 1981. The exchange rates listed are middle rates between buying and selling rates as quoted between banks, unless otherwise indicated. All currencies are quoted in foreign currency units per one U.S. dollar except in certain specified areas. All rates quoted are indicative. They are not based on, and are not intended to be used as a basis for, particular transactions.

Bank of America NT and SA does not undertake to trade in all listed foreign currencies, and neither Bank of America NT and SA nor the Financial Times assume responsibility for errors.

COUNTRY	CURRENCY	VALUE OF DOLLAR
Afghanistan	Afghani (O)	44.50
Albania	Lek	5.4645
Algeria	Dinar	4.1875
Andorra	Fr. Franc Sp. Peseta	5.8485 99.12
Angola	Kwanza	27.627
Antigua	E. Caribbean $	2.7025
Argentina	Peso (c) (4)	4833.00
	Peso (F) (5)	6775.00
Australia	Dollar	0.8802
Austria	Schilling	17.3475
Azores	Port. Escudo	65.60
Bahamas	Dollar	1.00
Bahrain	Dinar	0.3769
Balearic Is.	Sp. Peseta	99.12
Bangladesh	Taka	15.6212
Barbados	Dollar	2.01
Belgium	Franc (C) Franc (F)	40.41 43.18
Belize	Dollar	2.00
Benin	C.F.A. Franc	292.425
Bermuda	Dollar	1.00
Bhutan	Ind. Rupee	8.96
Bolivia	Peso	24.75
Botswana	Pula	0.8951
Brazil	Cruzeiro	96.64
Brunei	Dollar	2.1625
Bulgaria	Lev	0.94
Burma	Kyat	6.6445
Burundi	Franc	90.00
Cameroun Rp.	C.F.A. Franc	292.425
Canada	Dollar	1.223
Canary Is.	Sp. Peseta	99.12
Cape Verde	Escudo	36.51
Cayman Is.	Dollar	0.833
Cen. Af. Rep.	C.F.A. Franc	292.425
Chad	C.F.A. Franc	292.425
Chile	Peso (O)	39.00
China	Renminbi Yuan	1.7711
Colombia	Peso (O)	54.61
Comoros	C.F.A. Franc	292.425
Congo P'ple.Rep.of	C.F.A. Franc	292.425
Costa Rica	Colon (O)	8.60
Costa Rica	Colon	20.03
Cuba	Peso	0.7313
Cyprus	Pound*	2.2153
Czechoslovakia	Koruna (O)	5.80
Denmark	Krone	7.742
Djibouti Rp. of	Franc	178.50
Dominica	E. Caribbean $	2.7025
Domin. Rep.	Peso	1.00
Ecuador	Sucre	28.425
Egypt	Pound* (3)	1.4493
El Salvador	Colon	2.50
Eq'tl Guinea	Ekuele	198.24
Ethiopia	Birr (O)	2.0484
Faeroe Is.	Dan. Krone	7.742
Falkland Is.	Pound*	1.8483
Fiji	Dollar	0.8891
Finland	Markka	4.5525
France	Franc	5.8485
Fr. C'ty in Af.	C.F.A. Franc	292.425
Fr. Guiana	Franc	5.8485
Fr. Pac. Is.	C.F.P. Franc	102.797
Gabon	C.F.A. Franc	292.425
Gambia	Dalasi	2.1642
Germany (E)	Ostmark (O)	2.465
Germany (W)	Mark	2.465
Ghana	Cedi	2.75
Gibraltar	Pound*	1.8483
Greece	Drachma	59.15
Greenland	Dan. Krone	7.742
Grenada	E. Caribbean $	2.7025
Guadeloupe	Franc	5.8485
Guam	U.S. $	1.00
Guatemala	Quetzal	1.00
Guinea Bissau	Peso	38.0529
Guinea Rep.	Syli	21.9098
Guyana	Dollar	3.0506
Haiti	Gourde	5.00
Honduras Rep.	Lempira	2.00
Hong Kong	Dollar	5.7867
Hungary	Forint	33.44
Iceland	Krona	7.173
India	Rupee	8.96
Indonesia	Rupiah	630.00
Iran	Rial (O)	80.75
Iraq	Dinar	0.2999
Irish Rep	Punt*	1.477
Israel	Shekel	11.73
Italy	Lira	1226.25
Ivory Coast	C.F.A. Franc	292.425
Jamaica	Dollar	1.7834
Japan	Yen	238.92
Jordan	Dinar	0.336
Kampuchea	Riel	n.a.
Kenya	Shilling	9.0088
Kiribati	Aust. Dollar	0.8802
Korea (Nth)	Won	0.94
Korea (Sth)	Won	685.00
Kuwait	Dinar	0.2831
Lao P'ple D. Rep	Kip	10.00
Lebanon	Pound	4.426
Lesotho	Loti	0.9517
Liberia	Dollar	1.00
Libya	Dinar	0.2961
Liechtenst'n	Sw. Franc	2.1338
Luxembourg	Lux Franc	40.41
Macao	Pataca	6.0135
Madagascar D. R.	Franc	292.425
Madeira	Port. Escudo	65.60
Malawi	Kwacha	0.9331
Malaysia	Ringgit	2.3675
Maldive Is.	Rupee	3.93
Mali Rp.	Franc	584.85
Malta	Pound*	2.4644
Martinique	Franc	5.8485
Mauritania	Ouguiya	56.485
Mauritius	Rupee	8.8757
Mexico	Peso	24.635
Miquelon	Fr. Franc	5.8485
Monaco	Fr. Franc	5.8485
Mongolia	Tugrik (O)	3.3555
Montserrat	E. Caribbean $	2.7025
Morocco	Dirham	5.5091
Mozambique	Metica	30.1087
Namibia	S.A. Rand	0.9517
Nauru Is.	Aust. Dollar	0.8802
Nepal	Rupee	12.00
Netherlands	Guilder	2.742
Neth. Ant'les	Guilder	1.80
New Zealand	Dollar	1.2099
Nicaragua	Cordoba	10.00
Niger Rp.	C.F.A. Franc	292.425
Nigeria	Naira (O)	0.6766
Norway	Krone	6.148
Oman, Sultanate of	Rial	0.3456
Pakistan	Rupee	9.84
Panama	Balboa	1.00
Papua N.G.	Kina	0.6922
Paraguay	Guarani	126.00
Peru	Sol	427.74
Philippines	Peso	7.9495
Pitcairn Is.	N.Z. Dollar	1.2099
Poland	Zloty (O)	31.00
Portugal	Escudo	65.60
Port Timor	Escudo	n.a.
Puerto Rico	U.S. $	1.00
Qatar	Riyal	3.6397
Reunion Ile de la	Fr. Franc	5.8485
Romania	Leu (O)	4.47
Rwanda	Franc	92.84
St. Christopher	E. Caribbean $	2.7025
St. Helena	Pound*	1.8483
St. Lucia	E. Caribbean $	2.7025
St. Pierre	Fr Franc	5.8485
St. Vincent	E. Caribbean $	2.7025
Samoa (Western)	Tala	2.00
Samoa (Am.)	U.S. $	1.00
San Marino	It. Lira	1226.25
Sao Tome & Principe DR	Dobra	40.1624
Saudi Arabia	Riyal	3.4185
Senegal	C.F.A. Franc	292.425
Seychelles	Rupee	7.3843
Sierra Leone	Leone	1.2132
Singapore	Dollar	2.1625
Solomon Is.	Dollar	0.8969
Somali Rep.	Shilling (6)	6.35
	Shilling (7)	12.46
South Africa	Rand	0.9517
Spain	Peseta	99.12
Span. Ports in N. Africa	Sp. Peseta	99.12
Sri Lanka	Rupee	18.9634
Sudan Rep.	Pound* (2)	2.00
Sudan Rep.	Pound* (1)	1.25
Surinam	Guilder	1.785
Swaziland	Lilangeni	0.9517
Sweden	Krone	5.245
Switzerland	Franc	2.1338
Syria	Pound	3.9262
Taiwan	Dollar (O)	36.30
Tanzania	Shilling	8.1967
Thailand	Baht	23.00
Togo Rep.	C.F.A. Franc	292.425
Tonga Is.	Pa'anga	0.8803
Trinidad & Tobago	Dollar	2.4063
Tunisia	Dinar	0.5285
Turkey	Lira	115.39
Turks & Caicos	U.S. $	1.00
Tuvalu	Aust. Dollar	0.8802
Uganda	Shilling	78.00
Utd. A'b. Emir.	Dirham	3.6728
Utd. Kingdom	Pound Sterling*	1.8483
Upper Volta	C.F.A. Franc	292.425
Uruguay	Peso	10.9015
U.S.S.R.	Rouble	0.7775
Vanuatu	Vatu	94.5212
Vanuatu	Aust. Dollar	0.8802
Vatican	It. Lira	1226.25
Venezuela	Bolivar	4.2945
Vietnam	Dong (O)	2.18
Virgin Is. Br.	U.S. $	1.00
Virgin Is. U.S.	U.S. $	1.00
Yemen	Rial	4.57
Yemen PDR	Dinar	0.3415
Yugoslavia	Dinar	36.36
Zaire Rp.	Zaire	5.6353
Zambia	Kwacha	0.9091
Zimbabwe	Dollar	0.722

n.a. Not available. * U.S. dollars per National Currency unit. (O) Official rate. (C) Commercial rate. (F) Financial rate
(1) Sudan—Official rate for specified exports and imports. (2) Sudan—Official rate for all transactions except specified exports and imports.
(3) Egypt—A different rate applies to certain transactions with non-IMF countries.
(4) Argentina: June 22 Two Tier Policy Adopted. Commercial: Fixed by Central Bank of Imports and Exports.
(5) Argentina: Financial allowed a clean float. (6) Somali: Parallel exchange rates introduced July 1—for essential imports.
(7) Somali: Exports and Non-Essential Imports and Transfers.

Dollar firm

The dollar continued to improve in the foreign exchange market yesterday. However it finished at its lowest level of the day as profit taking developed on lower U.S. interest rates. This followed action by the Federal Reserve Bank to inject funds into the money market. Earlier in the day the dollar had touched a five year high against the D-mark and a record level against the Italian lira and Danish krone as President Reagan's success in pushing through his tax bill was seen as keeping interest rates high. The bullish trend was also underpinned by a U.S. Treasury announcement of a higher than expected refinancing quota for the last quarter of this year.

Sterling was quietly firmer against European currencies and maintained its overnight level from New York against the dollar although it was down from Tuesday's close in London.

The Italian lira rose to the top of the European Monetary System yesterday, replacing the D-mark as the most improved currency. Despite touching a record low against the dollar, the lira strength against its EMS partners reflected in part tougher foreign exchange controls and the onset of the onset of the tourist season. The D-mark however suffered some nervousness over the current debate over a 1982 budget, and a widening current account deficit.

DOLLAR — trade-weighted index (Bank of England) rose to 112.6 from 112.0. The dollar was quoted at DM 2.4760 against the D-mark at one point during the day but came back to finish at DM 2.4560, still up from Tuesday's figure of DM 2.4400. Similarly against the Swiss franc it touched SwFr 2.1450 before closing at SwFr 2.1290 compared with SwFr 2.1140. The Japanese yen also suffered with the dollar touching Y239.75 during the day and finishing at Y238.5, its best closing level since May 1980 and up from Tuesday's close of Y237.10.

STERLING—trade weighted index (Bank of England) rose to 92.2 from 92.1, having stood at 92.1 at noon and in the morning. Against the dollar it opened at $1.8475 and sank to a low of $1.8440 before recovering to $1.8485 by mid-afternoon. Late trading saw sterling rise to a best level of $1.8590 with 20 point spreads reflecting market nervousness and the rather thin trading conditions prevailing ahead of the month end. Sterling closed at $1.8570-1.8580, up 33 points from Wednesday's close in New York but down 65 points from Tuesday's London close. Against the D-mark it rose to DM 4.5625 from DM 4.5500 on Tuesday and SwFr 3.9550 from SwFr 3.9450. It was slightly weaker against the French franc however at FFr 10.81 compared with FFr 10.8150.

D-MARK—Strongest member of the European Monetary System but very weak against the dollar as U.S. interest rates remain high. A continued widening in Germany's current account deficit has also had a depressing effect — Trading yesterday in Frankfurt was again dominated by U.S. interest rate trends. News of a June trade surplus in Germany was offset by a further widening in the current account deficit. After opening at DM 2.4680 the dollar was fixed at DM 2.4683, its highest fixing since September 1976 and well up from Wednesday's figure of DM 2.445. There was no intervention by the Bundesbank. The dollar received fresh impetus from President Reagan's success in pushing his tax bill through Congress. Elsewhere sterling rose to DM 4.5640 from DM 4.5510 and the Swiss franc was lower at DM 1.1544 compared with DM 1.1570.

THE POUND SPOT AND FORWARD

July 30	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.8440-1.8590	1.8570-1.8580	0.72-0.82c dis	−4.97	2.03-2.13dis	−4.48
Canada	2.2800-2.2800	2.2760-2.2770	1.08-1.18c dis	−5.86	2.65-2.85dis	−4.83
Nethlnd.	5.05-5.08½	5.05½-5.06½	¼c pm-¼ dis	0.30	1⅞-1⅛ pm	1.28
Belgium	74.50-75.00	74.80-74.90	85-95c dis	−14.43	143-153 dis	−7.91
Denmark	14.30-14.37	14.34-14.35	4⅞-5⅞ore dis	−4.02	13½-15½ dis	−4.02
Ireland	1.2475-1.2540	1.2506-1.2520	0.33-0.48p dis	−3.79	0.83-0.97dis	−2.88
W. Ger.	4.55-4.58	4.55½-4.56½	1-½pf pm	1.97	2⅛-1⅞ pm	1.86
Portugal	120.70-121.70	121.50-121.70	55-120c dis	−8.63	160-320 dis	−7.89
Spain	182.70-183.30	183.60-183.80	35-85c dis	−3.92	180-240 dis	−4.57
Italy	2263-2271	2265½-2267½	34½-38½ dis	−18.79	90¾-93¾dis	−16.28
Norway	11.38-11.44	11.42½-11.43½	1⅛ore pm-⅛ dis	0.52	3-1½ pm	0.78
France	10.80-10.84	10.80½-10.81½	6⅞-7⅞c dis	−7.77	19-20 dis	−7.21
Sweden	9.68-9.74	9.73-9.74	¼-1¼ore dis	−1.23	par-⅞ dis	−0.18
Japan	440-446	443-444	2.95-2.50y pm	7.37	8.10-7.60 pm	7.03
Austria	32.00-32.26	32.18-32.23	7-2gro pm	1.68	18-8 pm	1.61
Switz.	3.94-3.97	3.95-3.96	2-1½c pm	5.31	5⅛-4⅞ pm	4.93

Belgian rate is for convertible francs. Financial franc 78.15-78.25. Six-month forward dollar 3.70-3.80c dis. 12-month 5.30-5.50c dis.

THE DOLLAR SPOT AND FORWARD

July 30	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.8440-1.8590	1.8570-1.8580	0.72-0.82c dis	−4.97	2.03-2.13dis	−4.48
Ireland†	1.4750-1.4820	1.4800-1.4820	0.23-0.33c dis	−2.27	0.52-0.62dis	−1.54
Canada	1.2222-1.2261	1.2239-1.2242	0.28-0.32c dis	−2.94	0.72-0.77dis	−2.43
Nethlnd.	2.7310-2.7455	2.7310-7.7335	1.26-1.16c pm	5.30	3.77-3.67 pm	5.44
Belgium	40.27-40.46	40.27-40.29	20-40c dis	−8.90	20-40 dis	−2.97
Denmark	7.7400-7.7770	7.7400-7.7500	0.70-0.45ore pm	0.89	0.90-0.40 pm	0.33
W. Ger.	2.4550-2.4760	2.4555-2.4565	1.50-1.44pf pm	7.18	4.01-3.95 pm	6.48
Portugal	65.45-65.75	65.45-65.65	5-35c dis	−3.66	15-35 dis	−3.35
Spain	98.55-99.15	98.55-98.60	20c pm-par	1.21	10pm-15dis	−0.10
Italy	1220-1227	1220-1222	10-12lire dis	−10.77	33-36 dis	−11.26
Norway	6.1300-6.1745	6.1300-6.1400	3.10-2.60ore pm	5.55	8.70-8.20 pm	5.49
France	5.8175-5.8650	5.8175-5.8225	1⅛-1⅜c dis	−3.08	3¾-4½ dis	−2.82
Sweden	5.2200-5.2515	5.2200-5.2300	1.95-1.75ore pm	4.24	5.65-5.45 pm	4.24
Japan	238.75-239.75	238.75-238.85	2.55-2.50y pm	12.69	7.65-6.90pm	12.18
Austria	17.32-17.40	17.35½-17.36	10¼-9¼gro pm	6.91	28½-24½ pm	6.19
Switz.	2.1270-2.1450	2.1285-2.1295	1.93-1.83c pm	10.60	5.13-5.03 pm	9.54

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

CURRENCY MOVEMENTS

July 30	Bank of England Index	Morgan Guaranty Changes%
Sterling	92.2	−31.8
U.S. dollar	112.6	+5.9
Canadian dollar	87.3	−18.4
Austrian schilling	111.1	+22.1
Belgian franc	104.6	+8.6
Danish kroner	85.3	−11.6
Deutsche mark	116.2	+37.8
Swiss franc	135.0	+81.5
Guilder	107.9	+14.7
French franc	82.6	−11.5
Lira	57.4	−55.7
Yen	136.7	+30.7

Based on trade weighted changes from Washington agreement December 1971. Bank of England Index (base average 1975=100).

CURRENCY RATES

July 29	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	12	Unavail	0.583425
U.S. $	14	1.12916	1.03105
Canadian $	19.89	1.38535	1.26532
Austria Sch.	6¾	19.4123	17.7337
Belgian F.	13	45.1604	41.2515
Danish K.	11	8.66002	7.91471
D mark	7½	2.76021	2.52159
Guilder	9	3.08959	2.80214
French Fr.	9½	6.55359	5.96204
Lira	19	1373.61	1254.86
Yen	6¼	268.399	244.767
Norwgn. Kr.	9	6.89686	6.30830
Spanish Pts.	8	110.995	101.399
Swedish Kr.	12	5.87892	5.37064
Swiss Fr.	5	2.38689	2.17908
Greek Dr'ch.	20½	—	61.5886

OTHER CURRENCIES

July 30	£	$		£ Note Rates
Argentina Peso	8931-8951†	4828-4838†	Austria	31.80-32.15
Australia Dollar	1.6265-1.6315	0.8795-0.8800	Belgium	79.15-79.95
Brazil Cruzeiro	178.28-179.28	96.40-96.88	Denmark	14.26-14.48
Finland Markka	8.47-8.49	4.5820-4.5849	France	10.75-10.84
Greek Drachma	108.788-112.116	60.25-60.45	Germany	4.56-4.59
Hong Kong Dollar	10.69½-10.70½	5.7840-5.7870	Italy	2230-2290
Iran Rial	152.00*	81.60*	Japan	442-448
Kuwait Dinar (KD)	0.522-0.528	0.2839-0.2852	Netherlands	5.05½-5.08½
Luxembourg Fr.	74.80-74.90	40.27-40.29	Norway	11.31-11.40
Malaysia Dollar	4.3725-4.3825	2.3645-2.3665	Portugal	119-126
New Zealand Dlr.	2.2360-2.2410	1.2070-1.2080	Spain	177-185½
Saudi Arab. Riyal	6.28-6.34	3.4105-3.4135	Sweden	9.65-9.75
Singapore Dollar	3.9969-4.0060	2.1610-2.1630	Switzerland	3.93½-3.97½
Sth. African Rand	1.7675-1.7682	0.9515-0.9525	United States	1.84¼-1.85¼
U.A.E. Dirham	6.76-6.82	3.6710-3.6750	Yugoslavia	70-76

† Rate given for Argentina is the commercial rate. The financial rate for sterling is 12,415-12,435 and for the dollar 6,650-6,700. *Selling rate.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU July 30	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	40.7985	41.3324	+1.31	+1.39	±1.5381
Danish Krone	7.91917	7.93379	+0.18	+0.26	±1.6413
German D-Mark	2.54502	2.52352	−0.84	−0.76	±1.1386
French Franc	5.99526	5.98158	−0.22	−0.14	±1.3638
Dutch Guilder	2.81318	2.79989	−0.47	−0.39	±1.5159
Irish Punt	0.685145	0.691432	+0.92	+1.00	±1.6888
Italian Lira	1262.92	1251.96	−0.87	−0.87	±4.1116

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

EXCHANGE CROSS RATES

July 30	Pound Sterling	U.S. Dollar	Deutschem'k	Japan'se Yen	French Franc	Swiss Franc	Dutch Guild'	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.858	4.563	443.5	10.81	3.956	5.063	2267.	2.277	74.85
U.S. Dollar	0.538	1.	2.456	238.8	5.820	2.129	2.725	1220.	1.226	40.30
Deutschemark	0.219	0.407	1.	97.21	2.369	0.867	1.110	496.8	0.499	16.41
Japanese Yen 1,000	2.255	4.188	10.29	1000.	24.37	8.918	11.41	5110.	5.133	168.8
French Franc 10	0.925	1.718	4.221	410.3	10.	3.659	4.685	2097.	2.106	69.24
Swiss Franc	0.253	0.470	1.154	112.1	2.733	1.	1.280	573.1	0.576	18.93
Dutch Guilder	0.198	0.367	0.901	87.60	2.135	0.781	1	447.7	0.450	14.79
Italian Lira 1,000	0.441	0.820	2.013	195.7	4.769	1.745	2.234	1000.	1.004	33.02
Canadian Dollar	0.439	0.816	2.004	194.8	4.749	1.737	2.224	995.6	1.	32.88
Belgian Franc 100	1.336	2.482	6.096	592.5	14.44	5.284	6.764	3028.	3.041	100

FT LONDON INTERBANK FIXING (11.00 a.m. JULY 30)

3 months U.S. dollars		6 months U.S. dollars	
bid 19	offer 19 1/8	bid 18 15/16	offer 19 1/16

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

EURO-CURRENCY INTEREST RATES (Market closing Rates)

July 30	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Belgian Franc Convertible	Japanese Yen
Short term	12¾-13	18¼-18½	21-22	14¼-14½	32-34	11⅜-11⅝	18-20	20-25	11-20	6-6½
7 days' notice	13⅛-13⅜	18⅜-18⅝	21-22	14¼-14½	2¾-3¼	11 7/16-11 9/16	19-21	28-32	15-38	6¼-6½
Month	14¼-14⅜	18¾-19	21⅝-22	13⅞-14⅛	8 1/16-8 3/16	12⅛-12¼	21½-22½	29½-31½	27½-28	5⅝-5⅞
Three months	14⅝-14¾	18¾-19	20⅞-21¼	13⅛-13⅜	9 5/16-9 7/16	12½-12⅝	21¼-22¼	29½-31	21⅞-22⅜	7-7¼
Six months	14⅝-14 13/16	18¾-19	20⅝-21	15-15¼	9¾-9⅞	12 7/16-12 9/16	20¾-21¾	29-30½	20⅛-20⅝	7⅜-7⅝
One Year	14⅝-14⅞	17⅝-17⅞	19¼-19⅝	12⅞-13⅛	9 5/16-9 7/16	12 7/16-12 9/16	19¾-20¾	27¼-28¾	18⅛-18⅝	8-8¼

SDR linked deposits: one-month 15 13/16-16 3/16 per cent; three-months 16 1/16-16 7/16 per cent; six-months 16 1/16-16 7/16 per cent; one-year 15 5/16-15 11/16 per cent.

ECU linked deposits: one-month 16½-16⅞ per cent; three-months 16 11/16-17 1/16 per cent; six-months 16½-16⅞ per cent; one-year 15 13/16-16 3/16 per cent.

Asian $ (closing rates in Singapore): one-month 18⅞-19 per cent; three-months 18⅞-19 per cent; six-months 18⅞-19 per cent; one-year 17⅝-17¾ per cent.

Long-term Eurodollar two-years 16¾-17 per cent; three-years 16⅝-16⅞ per cent; four-years 16½-16¾ per cent; five-years 16⅜-16⅝ per cent; nominal closing rates.

The following nominal rates were quoted for London dollar certificates of deposit: one-month 18.40-18.50 per cent; three-months 18.35-18.45 per cent; six-months 18.30-18.40 per cent; one-year 17.20-17.30 per cent.

MONEY MARKETS

Very large help

Bank of England Minimum Lending Rate 12 per cent (since March 10 1981)

The Bank of England gave very large assistance to the London money market yesterday to relieve a shortage of day-to-day credit. During the morning the Bank bought a small amount of Treasury bills maturing in 15 to 32 days at 13⅛ per cent and a small amount of local authority bills with maturity dates up to 14 days at 12⅞ per cent. It also bought a number of eligible bank bills with 15 to 32 day maturities at 13⅛ per cent and maturities up to 14 days at 12⅞ per cent. Further assistance was given during the afternoon. This comprised additional outright purchases of eligible bank bills maturing in 15 to 32 days at 13⅛-13⅛ per cent and a sale and repurchase agreement on a number of bills at 12⅞-12⅞ per cent, unwinding today.

Houses taking money up to 12⅞ per cent for secured call loans gained little comfort seeing the Bank help the market later in the day with overnight repurchase agreements as low as 12½ per cent. However it shows the authorities are still keen to keep short-term rates stable although with yesterday's repurchase agreement unwinding today the overall picture points towards another shortage as more and more money vanishes on the extra Treasury bills to meet September 1 PRT payments.

In the interbank market overnight money opened at 12⅞-13 per cent and traded around that level for much of the day before dipping to 12 per cent and finishing at 13 per cent.

In Paris call money eased to 17⅞ per cent from 18 per cent on Wednesday. This is the third fall this week and continues the lower trend started recently. Rates had hit an all time high of 20 per cent on May 22 following a Socialist election victory. The latest move follows a reduction on Wednesday of the Bank of France's discount rate on seven-day Treasury bills to 18½ per cent from 19½ per cent. This was a greater fall than had been expected. In the money market longer term rates were easier where changed.

In Frankfurt the Bundesbank left its key lending rates and credit policies unchanged after yesterday's meeting of the central bank council. This was much in line with market expectations since the authorities had already announced their intention not to hold a press conference after the meeting, a move seen as meaning no change. In the money market call money eased to 11.95 per cent from 12 per cent but longer term rates were generally firmer. One-month money rose to 13 per cent from 12.8 per cent and three-month to 12.975 per cent from 12.925 per cent.

GOLD

Little change

Gold continued to attract little interest in the London bullion market yesterday. It closed at $402-404, just $½ an ounce up from Tuesday's close. It opened at $401-403 and showed very little movement during the day, with the continued strength of U.S. interest rates helping to deter any real volume.

In Paris the 12½ kilo bar was fixed at FFr 88,500 per kilo ($469.81 per ounce) during the afternoon compared with FFr 88,900 ($472.66) in the morning and FFr 88,600 ($474.80) on Wednesday afternoon.

In Frankfurt the 12½ kilo bar was fixed at DM 32,045 per kilo ($404.02 per ounce) against DM 31,900 ($405.98) previously and closed at $401-403.

In Luxembourg the 12½ kilo bar was fixed at the equivalent of $402.05 per ounce.

In Zurich gold finished at $402-404 per ounce.

	July 30		July 29	
Gold Bullion (fine ounce)				
Close	$402-404	(£216¾-217¼)	$401½-403½	(£215¼-216¼)
Opening	$401-403	(£216¼-217¼)	$402-404	(£215¼-217¼)
Morning fixing	$402.25	(£217.515)	$403	(£216.726)
Afternoon fixing	$402.25	(£217.595)	$401.60	(£215.513)
Gold Coins				
Krugerrand	$414½-415½	(£223¾-224¼)	$414½-415½	(£222¼-223)
1/2 Krugerrand	$213½-214½	(£115¼-115¾)	$213½-214½	(£114½-115)
1/4 Krugerrand	$109-110	(£58¾-59¼)	$109-110	(£58½-59)
1/10 Krugerrand	$44½-45½	(£24-24½)	$44½-45½	(£23¾-24½)
Mapleleaf	$411-414	(£222-223½)	$412-415	(£221-222½)
New Sovereigns	$100¼-101	(£54-54½)	$100¾-101½	(£54-54½)
King Sovereigns	$112-114	(£60-61)	$113-115	(£60¼-61¼)
Victoria Sovs	$112-114	(£60-61)	$113-115	(£60¼-61¼)
French 20s	$113-119	(£61-64¼)	$106-111	(£56¾-59½)
50 pesos Mexico	$501-504	(£270½-272)	$501-504	(£268¾-270½)
100 Cor. Austria	$389-393	(£210-212¼)	$389-393	(£208¾-210½)
$20 Eagles	$543-548	(£293¼-295¾)	$547-552	(£293½-296¼)

LONDON MONEY RATES

July 30 1981	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount Market Deposits	Treasury Bills ♦	Eligible Bank Bills ♦	Fine Trade Bills ♦
Overnight	—	12-13	12-13	—	—	12¾-13¼	11¾-12⅞	—	—	—
2 days notice	—	—	13⅜-13⅝	—	—	13⅝-13⅞	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	13-13¼	13⅜-13¾	—	—	—	—	—	—	—
One month	14⅛-14¼	14⅛-14¼	14¼	—	14¼	—	12⅛-13⅛	—	—	—
Two months	14⅜-14⅛	14 3/16-14 5/16	—	14⅝-14⅜	14⅜	14⅝	13-13¼	13 3/16-13⅜	13 11/16	14⅝
Three months	14 3/16-14⅜	14½-14 11/16	14½	14¾-14⅝	14½	—	13⅜	13¾-13 13/16	13⅞	14⅝
Six months	14 7/16-14⅝	14 7/16-14⅝	14⅝	14-13⅝	14⅝	14⅞	13⅝	13¾-13⅞	13⅞-13 15/16	14⅝
Nine months	14½-14⅝	14⅜-14 11/16	—	14¾-14⅝	15	—	—	—	13 15/16-13¾	14⅝
One year	14½-14 11/16	14⅜-14 11/16	14⅝	14½-14¼	15	—	—	—	—	—
Two years	—	—	14¾	—	15	—	—	—	—	—

Local authorities and finance houses seven days' notice, others seven days' fixed. Long-term local authority mortgage rates nominally three-years 14⅞ per cent; four-years 15 per cent; five-years 15¼ per cent. ♦Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 13 11/16-13⅞ per cent; four-months trade bills 14½ per cent.

Approximate selling rate for one-month Treasury bills 13 15/32-13½ per cent; two-months 13 15/32-13½ per cent; three-months 13 11/16 per cent. Approximate selling rate for one-month bank bills 13 7/16 per cent; two-months 13¾ per cent; three-months 13¾-13 13/16 per cent; one-month trade bills 14½ per cent; two-months 14¾ per cent; and three-months 14¾ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 13 per cent from July 1 1981. Clearing Bank Deposit Rates for sums at seven days' notice 9 per cent. Clearing Bank Rates for lending 12 per cent. Treasury Bills: Average tender rates of discount 13.7577 per cent.

MONEY RATES

NEW YORK

Prime rate	20½
Fed. funds	17¼-17½
Treasury bills (13-week)	14.79
Treasury bills (26-week)	14.89

GERMANY

Special Lombard	12.0
Overnight rate	11.95
Six months	13.0
One month	12.975

FRANCE

Intervention rate	17.75
Overnight rate	17.875
One month	17.5625
Three months	17.25
Six months	16.625

JAPAN

Discount rate	6.25
Call (unconditional)	7.375
Bill discount (three-month)	7.48875

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Cities Service in $3bn credit talks

By Our New York Staff

U.S. oil company at the centre of growing takeover speculation, is negotiating a new line of credit with a group of U.S. and international banks worth more than $3bn.

This was confirmed by Mr Charles Waidelich, chairman of Cities Service, at a meeting with Wall Street security analysts. He said his company's liquid assets would total about $4bn with the new credit line, the two debt issues totalling $400m floated earlier this year and possible new long-term fixed rate debt.

Mr Waidelich also said his company was not engaged in any merger discussions and would resist vigorously a hostile takeover. "This company is not for sale," he declared.

Cities Service last month nearly merged with Conoco, but the proposal collapsed after Seagram escalated the bidding war for Conoco, which in turn led to huge competing offers from Du Pont and Mobil.

"We felt a combination with Conoco offered a unique opportunity," Mr Waidelich said.

The new line of credit is designed to help Cities Service fight any eventual hostile takeover as well as fund the company's new strategic plan to increase its oil and gas operations and expand its coal assets.

At the same time, the company, which has insufficient cash in hand, has been seeking financial backing to develop its considerable undeveloped oil and gas acreage in the U.S., totalling about 10m acres.

Socal lifts payout

Standard Oil of California (Socal) has increased its quarterly dividend to 60 cents a share from 50 cents, Reuter reports from San Francisco. The dividend is payable September 10 to shareholders of record on August 7.

Stronger dollar cuts Xerox growth rate

BY PAUL BETTS IN NEW YORK

XEROX, the leading U.S. office equipment group, reported yesterday a 7.5 per cent increase in second quarter earnings to $183.8m on revenues of $2.2bn from earnings of $170.9m on revenues of $2bn in the same quarter of last year.

The company said earnings suffered from the strengthening of the dollar, although this was more than offset by lower tax rates, especially for Xerox's international operations.

Mr Peter McColough, Xerox chairman, warned that "if current foreign exchange rates continue, currency will have a substantially greater adverse impact on revenue and earnings in the second-half of the year than it did in the first half, since the dollar on average will be considerably stronger than it was a year ago."

First-half earnings totalled $341.2m on revenues of $4.3bn compared to earnings of $317.3m on revenues of $3.9bn in the first six months of last year.

The company said second quarter rental and service revenues increased by 6 per cent while revenues from sales of copiers and other products increased by 18 per cent.

New business installations of copier—duplicator machines were higher than in the 1980 second quarter and net additions to the worldwide total of Xerox leased and sold copiers and duplicators were a record for any second quarter.

Xerox's earnings on a per share basis were $4.04 in the first half, up from $3.76 a year earlier, with the second quarter contributing $2.18 against $2.02. Wall Street is looking for modest profit growth this year to about $8 a share from $7.33 last year.

International operations boost Nabisco Brands

BY DAVID LASCELLES IN NEW YORK

NABISCO BRANDS, the third largest U.S. food group and the result of Nabisco's merger with Standard Brands, has reported net profits of $52.3m for its first quarter as a joint concern. The profit compares with a combined total of $51.7m in the second quarter of last year, but earnings would have been 19 per cent ahead without the $9.3m of costs involved in the merger.

Sales for the quarter were $1.4bn, compared with $1.3bn, although improvements in its extensive overseas operations were affected by translation into the stronger dollar.

For the six months earnings were ahead from $97.2m to $109.2m on sales $200m ahead at $2.8bn. Earnings per share came out at $1.73 compared with $1.55, with the second quarter chipping in 83 cents against 82 cents. Half-year profits also included the $9.3m merger expense.

Mr F. Ross Johnson, the president, said the international operations had registered sharp gains in the last three months in sales and earnings with "very good" performances shown in Europe, Latin America, Australia and Japan. The Canadian operations also showed particularly strong gains in sales and earnings.

In the U.S., there were strong earnings rises on the back of improved sales in its food and beverage operations. The high fructose corn syrup activities showed good volume growth but earnings were lower because of falling prices for sugar, with which the corn syrup competes.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices which will be published next on Thursday August 13. Closing prices on July 30

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Am. Air. 15¼ 85 (WW)	55	†96¼	96¾	−0¼	−0⅞	16.30
Amoco 13¾ 88	75	90	90½	−0¼	−0¾	15.70
CIBC 14½ 84	185	96¾	97¼	−0½	+0¾	15.92
CIBC 15⅞ 86	75	99	99½	−0⅛	+0⅜	15.45
CNA 15⅜ 96	75	92½	93	−2⅞	−2⅜	16.56
CNE 12⅜ 91	400	84⅝	85⅛	−0⅞	−0⅝	15.89
Citicorp Int. Fin. 15 86	150	97	97½	−0⅜	−1¼	15.84
Citicorp O/S 15½ 84	175	99	99½	−0⅛	−0¼	15.79
Dupont Canada 13½ 91	65	90¾	91¼	−0⅜	−1	15.30
EEC 14⅜ 93	65	94¼	94¾	−0⅛	−0¾	15.77
EIB 12⅝ 88	75	88	88½	−0½	−0¼	15.93
Eldorado 13¾ 88	50	91½	92	−0⅛	+0⅜	15.82
Elec. de France 13 88	125	88⅛	88⅝	−0⅛	−0¼	15.88
Export Dv. Cpn. 9⅝ 86	150	80½	81	0	+0½	15.78
Fed. Bs. D. 12⅝ 85 (N)	50	89⅛	89⅝	−0¼	+0⅛	15.78
Fed. Bs. D. 15⅜ 84 (J)	40	99⅛	99⅝	−0⅜	−0¼	15.98
Fin. Exp. Credit 10½ 85	50	83¾	84¼	−0⅛	−0⅛	16.32
Finland, Rep. of 9⅞ 86	100	79	79½	−0⅛	+0⅞	16.15
Ford Cr. O/S Fin. 16 84	150	99⅜	99⅞	−0½	0	16.04
Ford Cr. O/S Fin. 16 85	150	96⅞	97⅜	−0½	−0⅛	17.03
Gaz de France 13½ 86	80	91⅞	92⅜	−0⅛	−0⅜	16.02
GMAC O/S Fin. 12⅞ 88	100	88¼	88¾	−0⅛	+0⅜	15.77
GMAC O/S Fin. 14⅜ 87	100	94¾	95¼	−0½	−0¼	16.14
Gen. Mts. O/S 14⅜ 87	100	84⅞	85⅜	−0⅜	−0⅛	15.63
Genstar 14⅜ 91	50	96⅜	96⅞	−0⅛	−0⅛	15.40
GTE Fin. 12⅜ 86 (WW)	50	95¾	96¼	+0⅛	+0⅞	14.97
Hiram Walker 18 86	50	102½	103	−0⅛	+1	15.11
IBM Wld. Trade 12⅞ 88	200	93⅛	93⅝	−0⅛	+0⅛	14.07
IBM Wld. Trade 14⅞ 84	100	101	101½	−0⅛	+1⅛	14.14
Nat. Bk. Canada 15⅜ 84	40	98	98½	−0⅛	0	16.00
Newfoundland 13½ 90	60	89⅝	90⅛	−0⅛	−0⅛	15.68
Nova Scotia 15 91	75	95¾	96¼	−0½	−0⅛	15.61
Ontario Hydro 13⅜ 91	100	90⅝	91⅛	−0⅛	−0⅜	15.33
Queb. Hy. 13 91 (WW)	100	84½	85	−0⅛	+0⅛	16.29
Royal Bk. Canada 14 86	100	96⅞	97⅜	−0⅛	+0⅞	14.91
SNCF 13 91	75	88¼	88¾	−0⅛	−0½	15.35
Sth. California 14 87	50	95¼	95¾	0	+0⅛	15.21
Sth. California 14⅜ 88	50	97¼	97¾	−0⅛	+0⅛	15.37
Sven Handelsbk. 13⅜ 88	45	90⅝	91⅛	−0⅛	0	16.01
Swed. Ex. Credit 13 88	75	89½	90	−0⅛	+0⅛	16.33
Swed. Ex. Cred. 15⅜ 86	50	98⅞	99⅜	0	+0⅜	16.07
Toronto-Dom. Bk. 14 84	50	95⅜	95⅞	−0⅛	+0⅛	16.01
Tribune O/S Fin. 14 86	50	92⅞	93⅜	−0⅛	−0½	16.15
Wells Fargo Int. 15½ 84	50	99⅞	100⅜	0	+0⅛	15.39
World Bank 10¼ 87	300	79⅞	80⅜	−0⅛	0	15.64
World Bank 14½ 86	500	95	95½	−0⅛	+0⅛	15.81

Average price changes... On day −0⅛ on week 0

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Asian Dev. Bank 10 91	100	98	98½	+0⅜	+0⅜	10.25
Austria, Rep. of 8⅜ 92	150	87½	88	−0⅛	−0⅛	10.14
CECA 7⅞ 92	150	85⅜	86⅛	−0⅛	0	10.00
CECA 10 91	120	98⅞	99⅜	−0⅛	−0⅜	10.11
Cii-Honeywell 8⅜ 90	125	87½	88	−0⅛	−0⅛	10.57
Council of Europe 10 91	100	98¾	99½	0	−0⅛	10.13
EIB 8½ 90	200	88⅞	89⅜	−0⅛	+0⅛	10.40
EIB 10½ 91	200	99⅞	100⅜	−0⅛	−0½	10.46
ESCOM 9⅛ 87	100	90½	91¼	+0⅛	0	11.34
Finland, Rep. of 10 89	100	96⅜	96⅞	−0⅛	−0⅜	10.67
Iberduero SA 9 90	100	89¼	90	+0⅛	+0⅞	10.86
Ind. Bk. Finland 8½ 90	50	88⅞	89⅜	−0⅛	−0⅛	10.39
Int.-Am. Dv. Bk. 10 91	100	98	98½	0	+0⅛	10.25
Japan Air Lines 8⅞ 87	100	97⅞	98⅜	0	+0⅛	9.82
Japan Dev. Bk. 7⅜ 87	100	88⅞	89½	−0⅛	+0⅛	10.19
Kobe City of 8 90	100	88⅞	89⅜	0	+0⅜	9.91
Midland Int. Fin. 8⅜ 90	180	90⅜	90⅞	0	+0½	10.12
Norlabras 9⅜ 88	100	88	88½	−0⅛	−1⅛	12.28
OKB 8⅜ 92	150	85⅛	85⅝	−1⅛	−0⅞	10.46
Oslo, City of 8⅜ 90	80	92½	93	0	+0⅜	10.05
Venezuela, R. of 9⅜ 90	150	93⅞	94⅜	+0⅛	−0⅛	10.79
World Bank 8 90	700	85⅜	86⅛	0	+0⅛	10.45
World Bank 10 88	150	99⅞	100½	−0⅛	−0⅛	9.94

Average price changes... On day −0⅛ on week 0

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Aeroport Paris 6⅜ 91	80	95	95⅞	−0⅛	−0⅛	7.21
BFCE 6½ 91	100	93	93⅜	−0⅛	−1⅛	7.53
Bayer Int. Fin. 5⅜ 92	100	92	92⅜	−0⅛	+1⅛	6.25
Bremen, City of 6¾ 91	40	†99½	100	0	−0⅛	6.78
Bremn.-Tetterode 7 90	40	99	99⅜	+0⅛	−0⅛	7.13
CECA 6¾ 91	80	97⅞	98⅛	+0⅛	+0⅛	7.03
Denmark 5¾ 90	50	†87½	88⅛	−0⅛	−0⅛	7.65
Dome Petroleum 5⅜ 91	100	93⅜	94	+0⅛	−0⅛	6.63
Elec. de France 5⅜ 90	100	88½	89	+0⅛	−1½	6.95
Eurofima 5⅜ 92	80	†88½	89	0	0	6.80
F. G. H. Hypo Bk. 6 90	50	91	91½	−0½	−0⅛	7.39
Finland, Rep. of 6⅜ 90	20	88½	88⅞	−0⅛	−1⅛	7.73
Franc. Petroles 6½ 91	80	†93	94	+1	−1⅛	7.46
Genstar 7 91	100	102½	102⅝	−0⅛	−0⅛	6.62
Int. Amer. Dv. Bk. 7 91	100	99	99⅜	+0½	+0½	7.12
Japan Dev. Bank 5⅞ 90	100	94¾	95	0	+0½	6.50
Mt. Blanc Tunnel 5½ 90	60	†87	87½	+0⅛	−0⅛	7.48
Newag 5⅜ 90	80	91¾	92	+0⅛	+0⅛	7.00
OKB 7 93	100	99⅜	100	0	−0⅛	7.01
Oslo, City of 5⅞ 90	80	92⅜	93	+0⅛	+0⅞	6.94
Philips Lamps 5⅞ 92	100	87⅜	87⅞	−0⅛	+0⅛	6.87
Swed. Ex. Cred. 7⅜ 97	75	98⅞	99⅜	−0⅛	−0⅛	7.50
Trade Dev. Fin. 6¼ 90	50	89⅜	89⅞	+0⅛	−0⅛	7.81
Voest-Alpine 5⅜ 90	80	88	88⅞	−1⅛	−0½	7.59
World Bank 6 91	100	93⅛	93½	0	−0⅛	6.97
World Bank 7 90	100	100⅛	100⅜	−0⅛	+0⅛	6.95

Average price changes... On day 0 on week −0⅛

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Asian Dev. Bk. 8⅜ 91	15	96⅞	97⅞	0	+0½	8.65
Australia 8½ 88	20	85⅜	86⅜	0	0	9.39
EIB 7⅜ 89	12	92¼	93½	0	0	9.07
Finland 6.8 88	10	85⅝	86⅝	0	−0⅛	9.78
Finland, Rep. of 8½ 87	15	97	98	0	0	8.93
New Zealand 8⅛ 87	15	97⅜	98⅜	0	+0⅛	8.79

Average price changes... On day 0 on week 0

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Bell Canada 10⅜ 85 C$	60	86	87	−1	−0⅛	14.62
CIBC 13½ 86 C$	50	92⅜	93⅜	−1⅛	−1⅛	16.09
CIBC 11½ 85 C$	60	85⅜	86⅜	−0⅛	−0½	16.49
Federal Dev. 11½ 90 C$	60	†77½	78½	−0½	−1	16.33
Fst. Can. Inv. 10 84 C$	50	†83½	84½	−0⅛	0	17.68
R. Bk. Canada 10 85 C$	40	87⅜	88⅜	−0⅛	+0⅛	13.45
Tordom Cpn. 13½ 85 C$	30	†91¼	92¼	−1⅛	−1½	16.44
M. Bk. Dnmk. 9 91 EUA	25	86½	87½	+0⅛	+0⅛	11.15
SOFTE 8½ 89 EUA	40	85½	87	−0⅛	−0⅛	10.97
U. Bk. Nwy. 9½ 90 EUA	18	91	92½	0	−1⅛	11.01
Algemene Bk. 10¾ 86 Fl	60	94¼	94¾	0	−0⅛	11.83
Amro Bank 12 86 Fl	75	100⅛	100⅝	−0⅛	−0⅞	11.88
Heineken NV 10 87 Fl	100	94⅛	94⅝	−0⅛	−0⅞	11.34
Nat. Nedrlndn. 10 85 Fl	60	94	94½	0	−1	11.26
Ned. Midd. Bk. 10 85 Fl	75	94	94½	0	−0⅛	11.82
Pierson 10¾ 86 Fl	50	92¾	93¼	0	−0⅛	12.29
Rabobank 12 86 Fl	50	100¼	100¾	0	−0⅛	11.84
Air France 14½ 88 FFr	200	92	93	−0⅛	−0⅛	16.86
Bk. America 14½ 85 FFr	250	90⅛	91⅛	0	+0⅛	17.45
Charb'nages 13⅞ 85 FFr	400	89½	90½	0	−0⅛	17.38
EIB 14⅜ 88 FFr	300	87⅜	88⅜	+0⅛	+0⅛	17.32
La Redoute 14⅜ 85 FFr	125	86⅜	87⅜	+0⅛	+0⅞	18.83
OKB 14 86 FFr	400	90⅞	91⅞	0	−0⅛	16.99
Solvay et C. 14⅜ 86 FFr	200	95⅛	96⅛	0	−0⅛	16.08
Swed. E. Cr. 14⅜ 86 FFr	250	88	89	+0⅛	+0⅛	16.41
U. Mex. Sts. 14 85 FFr	150	89½	90½	+0⅛	+0⅛	17.75
Acena 14 85 £	20	93	93¾	−0⅛	−0⅛	16.16
Beneficial 14⅛ 90 £	20	83⅞	84⅝	−0⅛	−1⅛	17.29
BNP 13⅞ 91 £	15	86¼	87	−0⅛	−0⅛	16.31
CECA 13½ 88 £	20	89¾	90½	+0⅛	+0⅞	15.88
Citicorp O/S 13½ 90 £	50	92	92¾	−0⅛	−1	15.10
Fin. Ex. Cred. 13¼ 86 £	15	91⅛	91⅞	−0½	−0⅛	16.38
Gen. Elec. Co. 12½ 89 £	50	88⅛	88⅞	−0⅛	−0⅛	15.70
Hiram Walker 14⅛ 86 £	25	93½	94	−0⅛	0	16.18
Privatbanken 14½ 88 £	12	89⅜	90⅛	−0⅛	−0⅛	17.05
Rothschild 14⅛ 90 £	12	93	93½	−0⅛	+0⅛	15.89
Royal Trustco 14 86 £	12	92½	93¼	−0⅛	0	16.03
Swed. Ex. Cr. 13⅜ 86 £	20	92⅜	93½	0	+0⅛	16.01
Akzo 9⅜ 87 LuxFr	500	90	91	0	+0⅛	11.41
Euratom 9⅜ 88 LuxFr	500	84⅛	85⅛	+0⅛	+1⅛	12.79
Eurofima 10½ 87 LuxFr	500	90⅛	90⅞	0	−0⅛	12.84
EIB 9⅜ 88 LuxFr	600	85⅛	86⅛	+0⅛	+0⅛	12.09
Volvo 9⅜ 87 LuxFr	500	85⅜	86⅞	+0⅛	+0⅛	13.01

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
Bank of Montreal 5⅜ 90	0¼	98⅛	99	18/12	16⅜	16.96
BBL Int 5 88	0¼	99¼	99¾	20/11	18.31	18.40
BNP 5½ 88	‡0⅛	99¼	99¾	29/10	18.81	18.93
Christiania Bk 5½ 91	‡0¼	98⅛	98⅝	5/8	17.31	17.58
Citicorp O/S Fin. 84	‡0	98⅞	99⅜	31/8	18⅞	19.04
C. Itoh 5⅜ 87	0⅛	98¾	99¼	18/9	15.44	15.59
Co-operative Bk. 6 86	0⅛	99⅜	99⅞	15/11	19.56	19.64
Den Norske Credit 6 90	‡0¼	98⅛	98⅝	5/8	17.31	17.58
Genfinance 5⅜ 87	0⅛	98⅝	99⅛	30/10	16.94	17.13
Genfinance 5⅜ 92	0⅛	98⅞	99⅜	30/12	18.31	18.47
Giro und Bank 5⅜ 91	‡0⅛	98⅜	99⅛	23/9	19.06	19.28
GZB 5⅜ 92	‡0⅛	97¾	98¼	5/9	17⅜	17.60
Ind. Bank Japan 5⅜ 88	0⅛	98⅝	99⅛	9/10	16.44	16.82
Lloyds Eurofin 8 90 £	0⅛	97⅜	97⅞	6/1	13⅝	13.96
Lloyds Eurofin 5⅜ 92	0⅛	98¼	98¾	4/12	17.44	17.70
LTCB Japan 5⅜ 85	0⅛	99	99½	13/12	17⅛	17.38
Man. Hanov. O/S 5⅜ 94	‡0⅛	99⅛	99⅝	30/8	19.06	19.18
Merrill Lynch O/S 87	0⅛	99⅞	100⅜	7/8	20.44	20.41
Midland Int. Fin. 5⅜ 92	0⅛	99⅛	99⅝	5/12	17½	17.66
Midland Int. Fin. 9 91	0⅛	98⅛	98⅝	30/10	16.81	17.09
Nacional Fin. 6⅛ 86	0⅛	99⅛	99⅝	25/1	19⅜	19.47
Nacional Fin. 5⅜ 88	0⅛	[illegible]	97⅛	25/9	14⅞	15.35
Nat. Bk. Canada 5⅜ 88	0⅛	97⅞	98⅜	24/9	14⅛	14.78
Nat. West. 5⅜ 94	§0⅛	97⅞	98⅛	14/10	16.10	16.54
Nat. West. Fin. 5⅜ 91	§0⅛	98⅛	98⅝	15/1	19⅛	19.40
Nat. West. Fin. 5⅜ 92	§0⅛	97⅛	98⅛	23/10	16.91	17.13
Pemex 6 91	0⅛	96⅛	97⅛	8/10	15.31	15.79
Societe Generale 5⅜ 91	0⅛	97⅛	98⅛	22/1	18⅝	18.81
Sparebanken 6 87	0⅛	97⅛	98	19/12	16.81	17.20
Standard Chartd 5⅜ 90	0⅛	99	99½	3/9	17.06	17.19
Svenska Hndlsbk. 5 87	0⅛	99	99½	15/1	18⅛	18.26

Average price changes. On day 0 on week +0⅛

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
Ajinomoto 5⅜ 96	7/81	933	96⅞	97⅜	0	7.44
Bow Valley Inv. 8 95	4/81	23.12	105½	107	−4⅛	16.06
Canon 6⅜ 95	1/81	829	186⅞	187⅞	+3½	−0.88
Credit Suisse 4⅜ 93	10/79	1238	83½	85¼	+2	4.95
Digicon Fin. 8½ 95	10/81	29.5	†96½	97½	−2⅛	9.51
Fujitsu 5½ 96	7/81	732	†109⅛	110⅛	+1⅛	4.65
Furukawa Elec. 5⅜ 96	7/81	300	†112½	113½	+2⅛	−0.57
Hanson O/S Fin. 9⅜ 96	8/81	2.74	89	90⅛	+1⅛	2.81
Hitachi Cred. Cpn. 5 96	7/81	1966	†93	94	−1	4.93
Ina Overseas 8⅜ 2000	4/81	42	†102	103	−0⅛	2.50
Inchcape 8 95	2/81	4.55	69	71	0	10.53
Marion Int. Fin. 9 95	12/80	15.5	†79	80	−0⅞	24.72
Marui 6 96	7/81	931	†94½	95½	−0⅛	2.31
Matsushita El 7½ 95	11/80	590	92⅜	93⅜	−0⅛	3.61
Murata 5⅜ 96	7/81	2190	†99	100	+1⅛	5.25
NKK 6⅜ 96	7/81	188	†112⅜	113⅜	−2⅛	29.80
Ricoh 6⅜ 95	8/80	604	153¼	154¼	−3⅜	−3.12
Sumitomo M. Ind. 7 95	2/81	161	†136½	138	−4⅛	−3.39
Swiss Bk. Cpn. 6⅜ 90	9/80	200	75⅛	77⅛	+0⅛	31.41
Taylor Woodrow 8⅜ 90	1/81	4.94	88	89⅛	+0⅞	−0.68
Transco Int 8⅜ 95	2/81	68	†82	83	−0⅛	27.50
Tricorp 8½ 95	12/80	31.25	†81⅛	82⅛	0	11.07
Union Bk. Switz. 5 89	2/80	70.79	75⅛	77⅛	−0⅛	11.99
Sharp Cpn. 6½ 88 DM	9/80	595	200⅛	201⅝	+0⅛	−0.67
Uny Co. 5⅝ 85 DM	11/79	879.3	111⅞	113⅛	−0⅞	−2.79

* No information available—previous day's price.

† Only one market maker supplied a price.

Straight Bonds: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week = Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C.dte = Date next coupon becomes effective. Spread = Margin above six-month offered rate (‡ three-month; § above mean rate) for U.S. dollars. C.cpn = The current coupon. C.yld = The current yield.

Convertible Bonds: Denominated in dollars unless otherwise indicated. Chg. day = Change on day. Cnv. date = First date for conversion into shares. Cnv price = Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem = Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

Data supplied by dataSTREAM International.

Peter Montagnon looks at the latest Bank for International Settlements figures

Soviets draw on reserves to aid Poland

INTERNATIONAL BANKING FLOWS*

	1980 March	1980 June	1980 September	1980 December	1981 March
Total bank lending	1,118.4	1,206.1	1,248.1	1,321.9	1,346.6
of which to:					
BIS reporting area†	559.1	644.1	658.2	703.8	714.9
Other W. Europe, Australia, New Zealand, South Africa	71.8	79.7	81.8	85.6	87.5
OPEC	59.9	63.2	66.0	70.0	66.3
Eastern Europe	53.3	57.6	58.1	59.8	58.8
Non-oil LDC's	158.1	172.3	183.6	195.1	197.5

* Figures in $bn for amount outstanding at end of period before adjustment for exchange rate valuation changes and double counting. † Group of ten industrial countries, Switzerland, Austria, Denmark, Ireland.

Source: Bank for International Settlements

THE SOVIET UNION drew heavily on its foreign exchange reserves in the first quarter of this year, apparently in connection with assistance provided to Poland.

Latest figures from the Bank for International Settlements (BIS) show that Soviet deposits in Western banks fell by $3.05bn to $5.52bn during the quarter while its borrowing rose to $13.91bn from $13.39bn.

At the same time Poland registered a marked decline in its borrowings from the banks which fell to $14.7bn from $15.14bn. The figures are not directly comparable with a recent BIS report showing Poland's debt to the banks at $16.17bn as they are computed on a slightly different basis.

But they suggest strongly that Poland managed to pay off a substantial slice of its debt to Western banks during the first quarter with help from the Soviet Union. Its deposits with Western banks at the end of the period were only slightly reduced to $565m from $620m at the end of 1980.

The steep decline in the Soviet Union's reserves also offers one explanation why that country abruptly ceased assistance to Poland at the end of March. Since then, bankers believe, Poland's reserves have been reduced to virtually nil.

The BIS figures were contained in its latest report on international bank flows which show that total international bank lending rose by $25bn to $1,347bn during the first quarter, a much slower rate than before.

The figure is, however, before adjustment for double counting and exchange rate valuation changes. Net of these the underlying rate of growth was about $30bn compared with $45bn in the preceding quarter.

These underlying figures show a sharp decline in new lending to Eastern Europe as a whole, the BIS states in its commentary. Adjusted for exchange rate changes and double counting bank lending to Eastern Europe fell to $1.4bn in the first quarter from $3.8bn in the final quarter of last year.

These countries were also forced to draw heavily on their deposits with Western banks which declined an aggregate $3.5bn after rising $2.8bn in the preceding three months.

A similar pattern of slower growth in lending and draw down of deposits by borrower countries prevailed in other parts of the world, the BIS says.

In particular, new lending to non-oil developing countries showed an underlying growth of only $4.7bn compared with $13.1bn in the final quarter of 1980. These countries drew $1bn from their deposits with the reporting banks after increasing them by $1.2bn in the preceding period.

The implication is that they were finding it harder to finance their balance of payments deficits this year than last despite the increase in publicised Eurocredit lending.

The only group of countries outside the BIS bank reporting area (see table) where lending held up well was in the group of lesser developed countries whose borrowings rose by an underlying $4.3bn. But these countries too drew on their deposits with the banks to the tune of $300m after having built them up by $2.1bn during the last three months of 1980.

On the sources side of the market, the BIS says that there was a $7.5bn net supply of new funds to the international banking system from Organisation of Petroleum Exporting Countries.

This was made up of new deposits of $5.1bn—of which barely 40 per cent was placed in U.S. currency—and loan repayments amounting to $2.4bn.

U.S. banks continued to be large net exporters of funds, the BIS says, while banks in the reporting countries of Europe and Japan which had been heavy net borrowers of funds in 1980 somewhat reduced their net debtor position.

Banks in Canada, by contrast, increased their net debtor position to $13.3bn at the end of the first quarter of 1981 from $8.1bn at the end of 1980.

Within the reporting European area itself over $5bn was supplied to the Euromarket through trustee accounts in Switzerland, the BIS added.

Lending within the reporting area increased at an underlying rate of $21bn, more than two-thirds of which represented direct credits to the non-bank sector with German non-bank entities being the largest borrowers.

U.S. Treasury unveils $8.5bn refunding

By Our New York Correspondent

THE U.S. Treasury last night announced plans to borrow $8.5bn on domestic capital markets next week in its regular quarterly refunding exercise. Of this, $3.1bn will be new cash to finance the expanding budget deficit.

These figures were at the high end of Wall Street's expectations and they added to nervousness in the credit markets about the interest rate outlook. The news came at the end of a day which saw the yield on the long Treasury bonds exceed 14 per cent for the first time.

The refunding will be in three stages: Tuesday — $4.25bn of three-year notes; Wednesday—$2.25bn of nine-year notes; Thursday — $2bn in 30-year bonds.

Additional financing in the current quarter will amount to $6.2bn, for which plans will be announced later.

Mr Beryl Sprinkel, the Under Secretary for Monetary Affairs, said that the Treasury's borrowing needs for the rest of this year will increase because of the planned tax cuts which take effect in October, and the sluggishness of the economy.

This depressed the markets which are already coping with a surfeit of bonds issued by other recent borrowers.

● Among new bonds to be floated on the Paris capital market next week, will be a Frs 450m ($77.6m) issue for a group of regional development agencies. The bonds will bear a coupon of 17.5 per cent, will be for 12-years and will carry a state guarantee.

Bowring dilutes Marsh and McLennan profit

By Our New York Correspondent

REDUCED first-half earnings per share were reported by Marsh and McLennan, the biggest insurance broker in the U.S. which last year paid more than $650m for the London-based Bowring group.

In total, net earnings jumped to $63m from the $50.6m achieved before the purchase of Bowring in the opening half of 1980. On a per share basis earnings were $1.72, compared to $1.82, a decline of just over 5 per cent.

The acquisition of Bowring involved M and M in the issue of nearly 9m new shares together with cash of $318m. Between 1977 and 1980 M and M's earnings per share rose from $2.05 to $3.12.

Net income in the second quarter of 1981 was $29.8m or 81 cents a share, against $23.4m, or 84 cents in the second quarter last year. Second quarter revenue was $215.4m, up from $149m. Half-year revenue was $434.2m against $304.6m.

Mr John Regan, M and M's chairman, said that the group's results had been penalised by about $2.3m in the second quarter by foreign currency translation losses caused by the strength of the dollar.

The higher corporate tax rate in the UK also pushed up the M and M group's effective rate for the six months from 50.5 per cent to 52.8 per cent.

INTERNATIONAL CAPITAL MARKETS

Tokyo postpones Argentina issue

BY RICHARD C. HANSON IN TOKYO

TOKYO underwriters have decided to postpone "indefinitely" a Y20bn ($84m) Samurai public bond issue planned by the economically troubled Republic of Argentina for August.

The rather unusual decision to drop Argentina, which has floated three yen-dominated bonds in the past, apparently has created a very "delicate" situation for the securities industry.

Underwriters, whose decision is understood to have been made in "co-ordination" with the views of the Ministry of Finance, are worried that the matter could have political repercussions.

Securities company officials are reluctant to discuss the reasons behind the decision to postpone to avoid public embarrassment for Argentina. Yamaichi Securities was to be the lead manager.

Efforts to cement economic and political ties with Argentina have been stepped up recently. Japan's Minister of International Trade and Industry, Mr Rokusuke Tanaka, has just finished an official visit to Argentina. The Foreign Minister, Mr Sunao Sonoda, has just departed for a tour of Latin America including Argentina.

In recent memory, Brazil has run into difficulties in publicly issuing yen bonds in Japan because of jitters over its economy. It was forced to cut back sharply on planned issues last year.

Argentina, made its third Samurai issue (a yen denominated bond launched in Japan by a foreign borrower) in August last year, raising Y20bn. But caution over Argentina's current state of economic affairs led to the decision to avoid a public issue for the time being, according to underwriting officials.

Argentina is not being completely frozen out of yen borrowing, however. In June, the Argentine petroleum company, YPF, was allowed to make a private yen placement of Y10bn.

The postponement leaves issues from only the Asian Development Bank, which this week signed an agreement to issue bonds totalling Y20bn, and Austria, scheduled for August.

Bond prices edge down

By Francis Ghilès

INTERNATIONAL bond markets remained quiet yesterday, although prices of fixed interest dollar and D-Mark bonds lost about ⅛ of a point in what most dealers described as "thin trading."

The $60m bond to 1988 for Pacific Gas, however, met with strong investor response and this enabled the lead manager, CSFB, to increase the amount to $75m and price the issue at 99.

The initial coupon of 16 per cent was confirmed. In the Swiss franc bond market, prices of seasoned issues were unchanged on the day.

CITICORP

& subsidiaries

CONSOLIDATED BALANCE SHEET

	(In Millions of Dollars)	June 30 1981
ASSETS	Cash and Due from Banks	$7,305
	Deposits at Interest with Banks	14,775
	Investment Securities	7,150
	Trading Account Securities	3,135
	Federal Funds Sold and Securities Purchased Under Resale Agreements	2,804
	Loans, Net	
	Commercial (Less allowance for possible losses on loans of $379 and $331 and unearned discount of $466 and $412 in 1981 and 1980, respectively)	$54,047
	Consumer (Less allowance for credit losses of $163 and $142, and unearned discount of $3,367 and $2,760 in 1981 and 1980, respectively)	16,429
	Total Loans, Net	$70,476
	Lease Financing	1,824
	Customers' Acceptance Liability	5,470
	Premises and Equipment	1,324
	Interest and Fees Receivable	2,148
	Other Assets	2,601
	Total	$119,012
LIABILITIES	Demand Deposits in Domestic Offices	$11,209
	Time Deposits in Domestic Offices	11,480
	Deposits in Overseas Offices	52,545
	Total Deposits	$75,234
	Purchased Funds and Other Borrowings	21,752
	Acceptances Outstanding	5,497
	Accrued Taxes and Other Expenses	2,197
	Other Liabilities	3,028
	Intermediate-Term Debt (Original maturities from one to 15 years)	4,560
	Long-Term Debt (Original maturities of 15 years or more)	2,559
	Convertible Notes	350
	Preferred Stock	40
COMMON STOCKHOLDERS' EQUITY	Common Stock ($4.00 par)	$524
	Surplus	783
	Retained Earnings	2,257
	Common Stock in Treasury, at Cost	(169)
	Total Common Stockholders' Equity	$3,995
	Total	$119,012

INTL. COMPANIES & FINANCE

Anti-trust snag for Swedish Match deal

By William Dullforce in Stockholm

SWEDEN'S anti-trust Ombudsman has raised objections to a major reorganisation of their building product operations being negotiated by Swedish Match, ASSI and Södra Skogsägarna. The reorganisation would affect Swedish Match units in West Germany, Britain, France and Portugal.

The Ombudsman contends that the reorganisation would restrict competition and give Swedish Match a "strong dominance" in both doors and kitchen cabinets on the Swedish market. Complaints have come from wholesalers and the Swedish woodworkers' union.

Swedish Match and ASSI are continuing the negotiations which they hope to finalise by the middle of August. The Ombudsman now has to decide whether to take the matter to court.

The core of the proposed rationalisation is that ASSI, the state-owned paper and board company, would stop manufacturing building products and focus on cardboard while Swedish Match would wind up its cardboard operation and concentrate on particular building products, such as doors and kitchen furnishings.

ASSI would acquire 90 per cent of the shares in Karton, Swedish Match's West German cardboard company, and close down its door factory at Horndal in Sweden. Karton makes some 130,000 tons of cardboard a year and posted sales equivalent to Skr 340m ($65m) last year.

Swedish Match would take over ASSI's kitchen furniture plant at Kalmar and its shareholding in a door marketing company.

Together with Södra the two plan to establish a new chipboard - manufacturing company, Swedspan, incorporating Swedish Match's Scottish subsidiary, Weyroc. ASSI would hold 49 per cent of this company, Söda 38 per cent and Swedish Match 13 per cent.

Swedspan would have a capacity of some 600,000 cubic metres of chipboard a year and would generate sales of around SKr 350m. Swedish Match would be one of its biggest customers.

The anti-trust Ombudsman does not oppose the formation of Swedspan but argues that the other parts of the deal would leave Swedish Match with control over 90 per cent of the Swedish door market and a dominating position in kitchen cabinets. Currently Swedish Match supplies about half of Sweden's doors. It claims that the agreement with ASSI would give it 70-75 per cent of the Swedish market for simple interior doors and less for other types of door.

At present there is heavy over-capacity in door production in the Nordic countries and in Western Europe in general. Swedish Match's plants in Portugal and France are operating at half capacity.

Repeat payout forecast by Munich Re

By Our Financial Staff

MUENCHENER Rueckversicherungs-Gesellschaft, the German reinsurance group known as Munich Re, expects to pay a maintained dividend of DM 9 a share for the year ended June, 1981.

Despite an increase of around 14 per cent in premium income to DM 8bn, losses on reinsurance are likely to be greater than the DM 106m ($43.4m) incurred in 1979-80. However, the overall result will be "sufficient" to support an unchanged dividend.

The unsatisfactory reinsurance results are due to a "noticeable, and sometimes drastic" deterioration in the bulk of group business, both in Germany and abroad. A transfer from reserves will be necessary in order to balance fluctuations in the annual level of claims, the company says.

Fl 150m bond issue by ABN

By Our Financial Staff

ALGEMENE Bank Nederland (ABN) is to raise Fl 150m ($55m) in the Dutch capital market with an issue of 20-year bonds carrying a coupon of 12¼ per cent. The bonds will be priced at 101. The issue terms represent an upward nudge for coupons on the Dutch bond market in the wake of general price weakness induced by the recent strength of interest rates in the U.S.

Earlier this month a government tender issue in 11¼ per cent bonds only just got off the ground in terms of application. The 10-year issue was struck at a minimum tender price of 100.5 but has traded at a sizeable discount.

Hapag Lloyd expects marked improvement

BY ROGER BOYES IN BONN

HAPAG LLOYD, the West German shipping and travel company, is expecting a significant improvement in results this year after recording a net loss of DM 21.6m ($8.85m) in 1980. But the array of problems that dogged the company during the past year have not disappeared and Hapag Lloyd executives clearly do not expect any miraculous turnround.

The group's five main problems last year were its airline whose (operating losses totalled DM 34.9m) the North Atlantic and Trans-Pacific shipping routes (which lost DM 40m), the haulage concern Spedition Pracht, initial integration problems associated with the recently acquired European fleet of Hansa, and the "desolate" state of the tanker market.

Between them these factors produced an operating loss of about DM 105m last year, partly offset by higher revenue from the harbour services and shipyard repair divisions and by other special items. The after-tax loss of DM 21.6m, against a breakeven result in 1979, is to be absorbed by a transfer from the parent company reserves.

According to Herr Hans Jakob Kruse, the company's chief executive, to carry the loss over into 1981 would "seriously cramp" the company's performance at a time when there seems to be some prospect of improvement.

Herr Kruse bases this view largely on the beneficial effects of a weakening of the D-Mark against the dollar. The negative effects this will have on tourism in 1981 will be more than compensated for by the boost to freight shipping. In the first half of 1981, the competitive advantage of a weak D-Mark resulted in additional earnings of about DM 20m in the freight division which has also been helped by firmer freight rates and a better use of tonnage capacity.

But these rays of hope aside, there appears to be precious little improvement in the group's key markets. The airline is still faced with the fundamental problem of flagging passenger demand and sharp increases in costs, while the repair yards have few major orders this year and are unlikely to return a profit.

However, some of the start-up or takeover costs that have burdened Hapag's operating result — Spedition Pracht and the Hansa fleet — should diminish over the coming year. The Spedition haulage company has improved noticeably in the first few months of 1981.

Modest rise in half-year profits at Credit Suisse

BY OUR FINANCIAL STAFF

CREDIT SUISSE, one of the top three banks in Switzerland, reports modestly higher first-half profits and says that for 1981 as a whole a satisfactory result can be expected.

The half-year progress report mirrors almost exactly that released earlier this month by one of the bank's two major competitors, Union Bank of Switzerland.

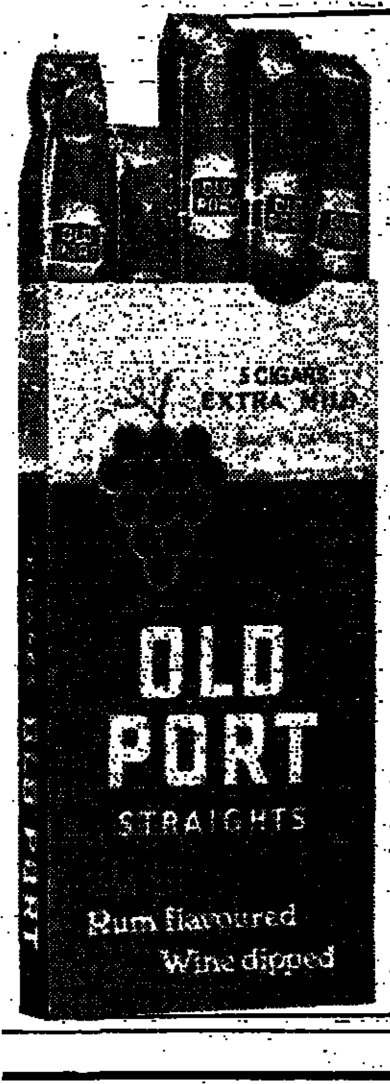
At the end of June, Credit Suisse assets totalled SwFr 70bn ($33bn), a rise of 10 per cent over the end-December figure, with something like half the improvement stemming from currency movements.

The bank expects particularly good results from securities and foreign exchange operations, but gold trading was "far below last year's excellent business due to a quieter gold market."

Customer deposits rose by SwFr 3.4bn to SwFr 39.8bn during the half-year, but the growth was "structurally unsatisfactory." Thus high interest time deposits rose SwFr 3.4bn and long-term loans rose SwFr 465m, while short-term bank paper fell by SwFr 252m and savings accounts dropped by SwFr 259m.

Credit Suisse currently manages SwFr 16.7bn in fiduciary deposits. It says these funds will be able to flow more into loaning activities and into securities "as the distortion in interest rates corrects itself."

Credits extended by the bank in the half-year are running at only half the level of those granted in the same period a year earlier, the bank adds.



COMPANY NOTICES

NOTICE IS HEREBY GIVEN that the London & Westminster (Sterling Brokers) Ltd. of Lonwest House, 57-63 Scrutton Street, London, EC2 has relinquished the Principal's Licence issued pursuant to Section 3 of the Act. The London & Westminster (Sterling Brokers) Ltd. has made application to the Department of Trade pursuant to Regulation 5 of the Prevention of Fraud (Investments) Deposit Regulation 1944 (S R & O 1944 No. 541) for the release of the five hundred pounds deposited in pursuance of Section 4 of the Act. Any persons having a claim on the funds representing the deposit should send their names and addresses and details to the Assistant Secretary, Companies Division, Department of Trade, Sanctuary Buildings, Great Smith Street, London, SW1, not later than 21st August 1981.

T.C.H. INVESTMENTS N.V.

NOTICE IS HEREBY GIVEN to holders of Bearer Curacao Depositary Receipts each representing one-tenth of one class "A" share of T.C.H. Investments N.V., that an annual general meeting of shareholders of T.C.H. Investments will be held at 6, John B. Gorsiraweg, Willemstad, Curacao, on Wednesday, 26th August, 1981. The agenda for the meeting is available for holders of Depositary Receipts at the office of Pierson, Heldring & Pierson N.V., Herengracht 214, 1016 BS Amsterdam, where vouchers for entry to the meeting may be obtained against delivery on or before 19th August, 1981 of Depositary Receipts and proxies to vote may be obtained for each 10 Depositary Receipts.

CARIBBEAN DEPOSITARY COMPANY N.V.

Willemstad, Curacao.
31st July, 1981.

NOTICE TO THE BONDHOLDERS OF ASIA NAVIGATION INTERNATIONAL LIMITED BERMUDA

NOTICE IS HEREBY GIVEN that the Register of Members of World International (Holdings) Limited, 21st Floor, Prince's Building, Hong Kong, will be closed from 19th August to 28th August, 1981, both days inclusive, during which period the 6½% Convertible Guaranteed Bonds 1989 issued by Asia Navigation International Limited, Bermuda, on 6th March, 1974 will not be convertible into fully paid Registered Ordinary Shares of World International (Holdings) Limited.

By Order of the Board,
WORLD-WIDE SECRETARIES LIMITED
Secretaries.

31st July, 1981.

INTERNATIONAL DEPOSITARY RECEIPTS (IDR) ISSUED BY MORGAN GUARANTY TRUST CY OF NEW YORK REPRESENTING ORDINARY CONVERTIBLE CLASS C SHARES OF BRASCAN LIMITED

A distribution of C$0.80 per depositary share, less any applicable taxes and fees will be payable on and after July 31, 1981, upon presentation of coupon No. 18 at any of the following offices of Morgan Guaranty Trust Cy of New York:

- New York (USA) 30, West Broadway
- Brussels, 35, avenue des Arts
- Antwerp, 82, Frankrijklei
- London, 1, Angel Court
- Paris, 14, Place Vendôme
- Frankfurt, Bockenheimer Landstrasse 8
- Zuriche, Stockerstrasse, 38 and
- Banque Générale du Luxembourg, 14, rue Aldringen, Luxembourg.

ART GALLERIES

Earnings at Comalco hit by depreciation charges

BY OUR FINANCIAL STAFF

COMALCO, the Australian aluminium group, suffered a fall of 65 per cent in net 1981 first-half profits, excluding extraordinary items, to A$12.49m (US$14.3m), from the A$36.75m of the first half last year.

The downturn in earnings, Comalco said, was partly the result of higher depreciation charges of A$22.7m, against A$12.1m a year earlier. In view of an extra A$20m of depreciation charges estimated for 1981 as a whole, the directors expect profits for the full year to be about half the A$75.19m of 1980.

Among the factors — apart from the depreciation—holding down the company's earnings in the first half were the continuing depresssed world demand for primary aluminium and alumina, and a seven-week strike at Weipa, which interrupted bauxite shipments.

Comalco has declared an interim dividend of 2.5 cents a share, after a capital restructuring which had the effect of a two-for-one scrip issue. The interim dividend last year was 8 cents.

The company expects no sustained recovery to be seen in world demand for aluminium before 1982. It points out that the industry is dependent on the performance of the U.S. economy in the second half of this year, and on the ability of the Japanese economy to achieve higher growth. Given such growth, it says, world aluminium consumption may rise to 13 tonnes next year, from the 12.3m tonnes forecast for 1981, and the 12.1m tonnes of 1980, and grow at about 4 per cent annually afterwards.

Some of the bauxite export sales affected by the strike at the Weipa deposits, it is said, are permanently lost, while the profit contribution from bauxite exports in the first half was reduced by movements in exchange rates.

The company's expansion plans at the Boyne Island smelter site, it says, are causing grave concern, against a background of trade union action over some months. Given a resolving of the problems, however, it remains possible for full output from the 103,000 tonnes first pot-line to be achieved by the second half of 1982, as planned.

Terms of first HK industrial issue for years

By Our Hong Kong Correspondent

CONIC Investment Company, the electronics group which is the first Hong Kong industrial company to go public for several years, has detailed the terms of its public offering, which will be of 70m shares at par, HK$1 each. The issue will represent 20 per cent of the total issued capital.

Under the group's complicated arrangements, the public part, consisting of Conic and 12 subsidiaries, will make up about 60 per cent of the total group associated with Conic and its founder, Mr Alex Au Yan Din.

The company said yesterday that: "It is intended that over a period of years the public group should acquire the interests of the private group after the private group has been reorganised and rationalised."

Mr Au will be the largest shareholder in the public company, with 66.89 per cent.

The new issue is somewhat less than the HK$100m which was originally expected, but the stock exchanges have waived their normal rules that a company has to offer at least 25 per cent of the issued capital [illegible]

Conic claims to be the largest employer of labour in Hong Kong after the Government.

Hong Kong Telephone lifts profits and plans rights

BY KEVIN RAFFERTY IN HONG KONG

HONG KONG Telephone Company yesterday announced increased profits and dividends for the half year and said that it planned to raise HK$239m (US$41.60m) through a rights issue.

The company said that unaudited profits for the six months to June 30 were HK$120.8m, a rise of 12 per cent on the 1980 first half. It planned to pay an interim dividend of 50 cents a share, compared with 43 cents adjusted in 1980.

The company forecast that after-tax profits for 1981 would be HK$260m. Profits last year were HK$215.8m.

The rights issue will consist of 11.9m new shares, with warrants to subscribe for additional shares, at HK$20 a share on the basis of three new shares for every 20 held. The new shares will be partly paid, with 50 per cent of the subscriptions due on September 10 and the remaining 50 per cent on December 18. Each first registered holder will receive one warrant for each three partly paid shares.

The holder of a warrant will be entitled to subscribe HK$25 for a share, between October 8 and September 28, 1984.

Income doubled at GIB

BY MARY FRINGS IN BAHRAN

AN INTERIM profit of U.S.$13.3m has been declared by the Bahrain-based Gulf International Bank, which is owned by the governments of the seven Gulf Arab states.

This exceeds the whole year profit for 1980 of U.S.$12.4m, and represents a 114 per cent improvement over the comparable period of last year. However, in view of a slow first quarter, Dr Khalid Al-Fayez, the general manager, looks for an improved performance in the second half. He puts the return on average assets, on an annual basis, at 0.93 per cent.

The half-year balance sheet shows total assets, excluding contra accounts, of U.S.$3.74bn, up 64 per cent from mid-1980. Time deposits with the bank amounted to U.S.$3.2bn, 59 per cent higher, and loans, at $1.47bn, showed an increase of 106 per cent.

Zimbabwe buys control of Caps Holdings

By Our Salisbury Correspondent

THE effective takeover by the Zimbabwe Government of Caps Holdings, thought to be the largest pharmaceutical manufacturing group in central Africa, marks a step by the state in its policy of "participating in industries of national strategic importance."

Senator Enos Nkala, the Finance Minister, in announcing the acquisition of 42.6 per cent of the equity of Caps Holdings at a price of 180 cents a share, a discount of some 12 per cent on the ruling market price, said that the purchase was not the result of "arm twisting or gate crashing" by Government.

"It is rather the result of amicable negotiations undertaken largely at the invitation of some members of Caps Holdings themselves," he said.

Caps Holdings is the third major industrial group in which the Zimbabwe Government has acquired an effective controlling interest since independence was achieved 16 months ago—the other two being the Zimbabwe Newspapers group and Zimbank, the country's second largest banking group.

The Caps Holdings acquisition will cost the Government almost Z$4.5m (US$6.33m). This will be paid inside Zimbabwe, though apparently the sellers—who are believed to be largely non-resident shareholders—will be able to remit the funds to their countries of residence over a period of six years. The main vendor is Mr Gerry Graham, founder of the group 28 years ago, who now lives in the U.S.

Caps operates marketing subsidiaries in Malawi, Zambia, Botswana and South Africa. The Finance Minister said, however, that the participation by the Government in Caps would not affect its external operations, including its South African marketing subsidiary.

There was no reason why the Zimbabwe Government should want to interfere with this, he said, adding that Caps had made good profits in the past and that he hoped it would earn even more in the future.

WORLD STOCK MARKETS

NEW YORK

Stock	July 29	July 28
ACF Industries	42⅝	42½
AMF	21¼	21¾
AM Intl	12⅝	12⅛
ARA	31¼	31¼
ASA	47¼	46¾
AVX Corp	21	20¾
Abbott Labs	27	27¼
Acme Cleve	25¼	25⅛
Adobe Oil & Gas	36⅛	36⅞
Advanced Micro	20¾	20½
Aetna Life & Gas	38⅛	37⅞
Ahmanson (H.F.)	16¼	16⅝
Air Prod & Chem	37	37⅛
Akzona	13⅝	13⅝
Albany Int	29¼	30
Alberto-Culv	11⅝	11⅝
Albertson's	24	24
AlcanAluminium	35	35¼
Alco Standard	18¾	18⅝
Allegheny Ludm	41⅝	41¼
Allied Corp	55¼	53¾
Allied Stores	28⅛	29¼
Allis-Chalmers	22	21⅝
Alpha Portd	13⅜	13⅝
Alcoa	28⅝	27⅞
Amal. Sugar	39¼	39⅜
Amax	58	57¼
Amerada Hess	31⅝	31⅛
Am. Airlines	14½	15
Am. Brands	40⅝	40⅝
Am. Broadcast'g	28⅝	29¼
Am. Can	36⅝	36⅞
Am. Cyanamid	30½	30¾
Am. Elect.Powr.	17¼	17¼
Am. Express	44⅜	45⅛
Am. Gen. Insnce.	39⅛	39⅛
Am. Hoist & Dk.	19	18⅞
Am. Home Prod.	31½	31⅜
Am. Hosp. Suppy.	40¾	40½
Am. Medical Intl.	44¼	44¼
Am. Motors	3⅝	3⅝
Am. Nat. Rescs.	40¼	40⅜
Am. Petfina	52	52¼
Am. Quasar Pet.	21⅛	21½
Am. Standard	33⅛	33
Am. Stores	25⅛	25
Am Tel. & Tel.	55¾	55¼
Ametek Inc.	32⅞	32⅞
Amfac	25⅝	25½
AMP	50	50⅛
Amstar	23½	23¾
Amstead Inds.	40	39⅞
Anchor Hockg	16⅜	16½
Anheuser-Bh	36⅛	36⅝
Arcata	26⅜	26⅜
Archer Daniels	17¾	17¾
Armco	32⅞	33⅛
Armstrong CK	17	17⅛
Asamera Oil	13⅛	13¼
Asarco	39⅜	39⅜
Ashland Oil	34½	34⅛
Assd D Goods	25⅞	25½
Atlantic Rich	49⅜	49⅛
Auto-Data Prg	28½	28⅛
Avco	27⅛	27⅜
Avery Intl	25	24¾
Avnet	47⅞	48
Avon Prods	36⅞	37
Baker Intl	43¼	43⅝
Balt. Gas & El.	22⅞	22¾
Bancal Trst	28⅜	28
Bangor Punta	23¾	23½
Bank America	23⅞	23¾
Bank of N.Y.	38⅛	38⅛
Bankers Tst. N.Y.	32	32⅜
Barry Wright	18⅝	18⅝
Bausch & Lomb	47⅞	47½
Baxt Trav Lab	57	56¾
Beatrice Foods	21½	21⅝
Beckman Instr	33⅝	33
Beker Inds	12¼	11¾
Bell & Howell	22¾	22¾
Bell Industries	15⅛	15⅛
Bendix	64⅝	63¾
Beneficial	22¼	22¼
Beth Steel	23⅛	23⅛
Big Thee Inds	31⅜	31
Black & Decker	16¾	16⅞
Block HR	33⅞	34⅛
Blue Bell	28⅜	28¾
Boeing	27½	27⅞
Boise Cascade	39½	40
Borden	28⅜	28
Borg Warner	49¾	49½
Braniff Intl	3⅝	3¾
Briggs Stratn	22⅞	22⅞
Bristol-Myers	50⅜	50½
BP	23⅝	23⅝
Brockway Glass	16½	16⅝
Brown Forman B	30	30
Brown Grp	28¼	28¼
Brown & Sharp	22¼	21¾
Browng-Ferris	33¼	33⅛
Brunswick	19⅝	19⅞
Bucyrus-Erie	30	18⅛
Burlington Ind	21	21
Burlington Nrthn	54	55⅝
Burndy	40	40¼
Burroughs	36⅞	36⅝
CBI Inds	50⅝	51⅛
CBS	55⅛	55⅝
CPC Intl	30	30
CSX	52⅛	52⅝
Campbell Red L.	14⅝	14⅞
Campbell Soup	28½	27⅞
Campbell Tagg	33¼	33
Canal Randolph	35¼	35¼
Can. Pacific	41⅛	41⅛
Carlisle Corp	37⅝	36½
Carnation	30¼	29¾
Carp Tech	47⅛	47
Carter Hawley	18⅛	18½
Caterpillar	62⅛	61⅝
Celanese Corp.	63⅛	62
Centex	32	32
Central & Sw	14⅞	15
Central Soya	12¼	12¼
Central Tel Util	31¾	32½
Certain-teed	16¼	16⅝
Cessna Aircraft	27¾	28
Champ Home Bld	2⅞	2⅞
Champ Int	25¾	26¼
Champ Sp Plug	10	10¼
Charter Co	10⅛	10½
Chase Manhatt'n	51¼	51⅝
Chemical NY	53½	53¼
Cheese Pond	32½	33¼
Chicago Pneum	22½	22½
Chrysler	6⅝	6⅜
Chubb	44½	44⅝
Cincinnati Mil	35½	35
Citicorp	25⅞	25⅞
Cities Service	55⅜	57½
City Investg	25⅜	25⅝
Clark Equipment	31⅝	31½
Cleve Cliffs Iron	35½	35⅛
Clorox	11½	11⅝
Cluett Peaby	13¼	13¼
Coca Cola	33¾	33⅝
Coca Btl. N.Y.	10	9⅞
Colgate Palm	15⅝	15½
Collins Aikman	11½	11⅛
Colt Inds	81¼	82
Columbia Gas	32¾	32⅝
Columbia Pict	38	38
Combined Int	20⅞	21⅜
Combustn. Eng	38⅜	38⅝
Cmwlth.Edison	19½	19⅜
Comm.Satelite	52⅜	52¼
Comp. Science	17	17⅛
Cone Mills	33⅛	33⅝
Conn Gen. Inn	48	47⅞
Conoco	90⅛	90⅜
Conrac	25¼	23⅝
Cons Edison	29½	29
Cons Foods	28¾	29
Cons Freight	38⅝	38¾
Cons Nat Gas	44⅜	44⅜
Consumer Power	17¼	17¼
Cont Air Lines	9⅞	9⅞
Conti Corp	26¾	26⅝
Conti Group	35¼	35⅜
Cont. Illinois	36¾	37
Conti Telep	17¾	17¼
Control Data	69⅛	68⅜
Cooper Inds	47	46⅞
Coors Adolph	15⅜	15⅜
Copperweld	43¾	44
Corning Glass	58⅞	58½
Corroon Black	24	24
Cox Broadcast'g	64	64
Crane	40⅛	40
Crocker Nat.	38⅜	38
Crown Cork	30⅝	29⅞
Crown Zell	39⅜	39⅞
Cummins Eng	47⅝	47⅞
Curtiss-Wright	47¼	47
Damon	8⅜	8⅛
Dana	28⅛	27⅞
Dart & Kraft	49	48⅛
Data Gen	54	52⅝
Dayton-Hudson	55¾	54⅝
Deere	38¼	38⅞
Delta Air	63¾	65¼
Denny's	25¼	25
Dentsply Intl	14⅜	14¾
Detroit Edison	11½	11⅜
Diamond Intl	33⅝	33⅛
Diamond Shamk	35⅞	35½
DiGiorgio	13	12⅞
Digital Equip	94½	94⅛
Dillingham	31¼	30⅞
Dillon	20⅛	20⅜
Disney (Walt)	52¼	52¾
Dome Mines	21¾	22¼
Donnelly (RR)	36¾	36⅞
Dover Corp	55⅞	56¼
Dow Chemical	30¾	30⅞
Dow Jones	48⅛	48¾
Dresser	40⅛	40⅜
Dr. Pepper	12¾	12⅝
Duke Power	20	20⅛
Dun & Brad	64⅞	65⅛
Du Pont	44½	45⅜
E G & G	37⅝	37¾
Easco	24⅜	24¼
Eastern Airlines	8½	9
Eastern Gas & F.	23¼	25
Eastman Kodak	73¼	72¾
Eaton	34⅛	34¼
Echlin Mfg	13¼	13½
Eckherd Jack	39⅝	39¾
Electronic Data	26	25⅜
Elect. Memories	4½	4½
El Paso	25⅞	29
Emerson Elect	43⅛	43½
Emery Air Fgt	16⅞	16
Emhart	32⅛	32
Engelhard Corp	19	19⅛
Enserch	28⅛	28⅝
Envirotech	14⅛	14¼
Esmark	53⅝	53¾
Ethyl	26⅞	27
Evans Prods	21¾	22¼
Ex Cell O	27⅝	28
Exxon	34⅞	35⅛
FMC	30⅜	30⅞
Faberge	23⅛	22⅛
Fedders	7⅜	7⅛
Federal Co	21	21
Federal-Mogul	25⅛	23⅝
Fed. Nat. Mort	8⅝	8¾
Fed. Paper Brd	29¾	29⅝
Fed. Resources	3⅝	3¾
Fed. Dep. Stores	38	37¼
Fieldcrest Mi	25⅜	25⅝
Firestone	12	12¼
1st Bank System	39	39
1st Charter Fin	14	14
1st Chicago	18⅞	18¾
1st City BankTex	36⅛	36¼
1st Int Banc	29⅞	29⅞
1st Mississippi	19	18⅞
1st Nat. Boston	40¼	40¼
1st Penn	4⅛	4⅜
Fisons	2½	2⅛
Fleetwood Ent	12⅞	11⅞
Flexi-Van	19½	19⅝
Florida Pwr & L	29⅛	29⅛
Ford Motor	21½	21¾
Foremost Mck	35⅜	36¼
Foster Wheeler	16⅝	16⅞
Foxboro	47⅝	47⅞
Freeport McM	32⅝	32½
Fruehauf	27⅛	27⅛
GAF	14	13⅞
GATX	35¾	36¾
Gannet	39¼	38¾
Geico	27½	27⅜
Gen Am Invest	19	18¾
Gen Cinema	37⅛	37
Gen Dynamics	26¼	26
Gen Electric	59⅝	59¾
Gen Foods	32¼	32
Gen Instrument	107⅞	109⅛
Gen Mills	34¾	34⅞
Gen Motors	49⅛	49⅛
Gen Portland	41⅛	40⅞
Gen Pub Utilities	4⅞	4⅞
Gen Signal	42⅜	42⅜
Gen Telep Elec	30	29⅜
Gen Tire	25¾	26¼
Genesco	9¼	8⅝
Genuine Parts	31⅝	32
Georgia Pac	24⅝	25
Geosource	57¾	56⅛
Gerber Prod	31	30⅛
Getty Oil	72⅛	73⅛
Giddings Lewis	22½	22¼
Gillette	30¼	29⅞
Global Marine	34⅞	35⅛
Goodrich (BF)	23⅜	23⅛
Goodyear Tire	19	18⅞
Gould	27½	27½
Grace	47⅞	48⅛
Grainger (WW)	41	41¾
Gt. Atl. Pac. Tea.	4⅜	4⅛
Gt. Basins Pet	12¼	12¼
Gt.Nthn.Nekoosa	39⅛	39¾
Gt. West Financl.	14⅝	14⅛
Greyhound	16⅝	16⅜
Grumman	24	24⅜
Gulf & Western	18⅛	18¼
Gulf Oil	37⅞	37⅞
Hall (FB)	25⅝	25⅞
Halliburton	65½	65⅜
HammermillPpr.	31¾	31⅛
Handleman	15⅞	16
Hanna Mining	34⅛	34¾
Harcourt Brace	18¼	17¾
Harnischfeger	13½	13⅞
Harris Bancp	27½	27⅛
Harris Corp	44¼	44⅝
Harsco	20	20⅛
Hecla Mining	13⅛	13¼
Heinz (HJ)	36½	36
Heller Intl	24⅛	23¾
Hercules	23¾	23⅜
Hershey	32½	32½
Heublein	31	31
Hewlett Pkd	46⅛	46⅞
Hilton Hotels	45½	44⅞
Hitachi	64¼	64⅛
Holiday Inns	28¾	29⅛
Holly Sugar	35	35⅛
Homestake	47⅞	48
Honeywell	85¼	84½
Hoover	12⅜	12⅛
Hoover Univ	22¾	23⅛
Hormel Geo	18¾	19
Hospital Corp	42½	41¾
Household Intl	16¼	16⅝
Houston Inds	20⅛	20⅛
Houston nat Gas	46⅝	46⅞
HudsonBayMng	24	24⅛
Hughes Tool	42¼	42⅜
Humana	38⅞	38
Husky (Oil)	13	13½
Hutton (EF)	30½	29⅞
IC Inds	36⅛	36⅛
INA Corp	42	41⅝
IU Int	14⅜	14⅜
Ideal Basic Ind	27⅞	28
Ideal Toy	5¼	5¼
ICI ADR	5⅛	5⅛
Imp. Corp. Amer.	18⅛	18⅛
INCO	18⅞	18⅞
Ingersol Rand	59⅛	59¾
Inland Steel	29⅛	29
Intel	33¾	33¾
Interlake	40	40
InterNorth	33¼	33⅛
IBM	55¼	55¼
Intl. Flavours	18⅝	18⅝
Intl. Harvester	14¾	14¾
Int. Income Prop.	8¾	8¾
Int. Paper	46¾	47½
Int. Rectifier	14½	14⅝
Int. Tel & Tel	28¾	29¼
Iowa Beef	67¼	68
Irving Bank	50	50
James (FS)	23⅞	23⅞
Jeffn-Pilot	25	25⅛
Jewel Cos	37⅛	37
Jim Walter	24¾	25
Johns Manville	18⅝	18⅞
Johnson Contr	30	30¼
Johnson & Jns	32⅛	32¾
Johnthan Logan	9⅜	9⅜
Jostens	17⅞	18
Joy Mnf	38⅛	36⅝
K.Mart	20¼	20⅛
Kaiser Alum	20¾	20⅝
Kaiser Steel	44	43
Kaneb Services	26	26⅞
Kaufman Brd	13¾	13¾
Kay Corp	16½	16⅝
Kellogg	19⅝	19¾
Kennametal	32⅛	31¾
Kerr-McGee	78	78¼
Kidde	46	46¼
Kimberley-Clark	70⅞	71
King's Dept. St	7	7⅛
Knight Rdr. Nws	33⅞	34⅛
Koppers	22¼	22⅜
Kroehler	7⅛	7⅝
Kroger	23¼	23¼
LTV	21½	21¾
Lanier Bss. Prod.	37¾	37⅛
Lear-Siegler	33⅝	33¼
Leaseway Trans.	30¾	30½
Lenox	35⅝	36⅛
Levi Stauss	35⅝	35¼
Levitz Furntr	31	31
Libby Owens Fd.	28	27⅝
Lilly (Eli)	56	55⅝
Lincoln Nat	41⅛	41⅜
Litton Inds	62	61
Lockheed	34¼	34
Loews	92½	92½
Lone Star Inds	31⅞	32
Longs Drug Strs	31¾	32⅛
Louisiana Land	38⅛	38⅛
Louisiana Pac	22⅞	23
Lowenstein	30¾	31⅝
Lubrizol	26⅜	26⅛
Lucky Strs	15¼	15⅛
M/A Com. Inc	27⅜	27⅝
MCA	46	46¼
MacMillian	15⅛	15
Macy	56¾	56
Madison Fund	20	20
Mfcrs Hanover	35¼	35⅜
Mapco	35⅜	35¾
Marathon Oil	69⅛	68¾
Marine Mid	18⅛	18½
Marriott	37½	37¼
Marsh McLenn	35¼	35½
Marshall Field	16¾	15⅝
Martin Mtta	57¾	58¾
Maryland Cup	34	34
Masco	36¼	36⅜
Massey-Fergn	3	2⅞
Mass Mutl Corp.	15¾	15⅞
Mattel	8	8⅛
May Dept Strs	27¼	27
Maytag	27¼	26⅛
McCulloch	16	16⅜
McDe.mott (JR)	35⅝	37¾
McDonald's	60⅛	60
McDonnell Doug.	34⅛	34½
McDonough	44⅛	44
McGraw Edison	42⅝	42¾
McGraw-Hill	50¼	50⅜
McLean Trukg	9⅞	9¾
Mead	27⅝	27½
Media Genl	37¼	37¼
Medtronic	33⅞	33½
Mellon Natl	37	37⅛
Melville	42½	42⅝
Memorex	11	12⅛
Mercantile Sts	49¼	48¼
Merck	90	90¾
Meredith	57⅜	57½
Merrill Lynch	35¼	34⅞
MGM	9⅞	9⅝
Metromedia	139¼	138⅛
Milton Bradley	25⅝	25⅛
Minnesota MM	53½	53½
Missouri Pac	85⅜	84¼
Mobil	30⅛	30¼
Modern Merchg.	12	12¼
Mohasco	13½	13½
Monarch M/T	27¾	27⅜
Monsanto	74½	75⅜
Moore McCmrk.	32	32⅞
Morgan (JP)	53⅞	54
Motorola	64⅜	66⅛
Munsingwear	16¼	16⅜
Murphy (GC)	19	18¾
Murphy Oil	36⅜	35⅝
Nabisco Brands	—	—
Nalco Chem	48¾	48¼
Napco Industries	19¾	19¾
Nat. Can	24	23⅞
Nat. Detroit	26¾	26⅞
Nat. Dist. Chem	25	25¼
Nat. Gypsum	29¾	29⅛
Nat. Medical Ent	22⅝	22¾
Nat. Semicductr.	24¾	25
Nat. Service Ind.	24⅞	24¾
Nat. Standard	15¾	15¼
Nat. Steel	25⅝	25⅝
Natomas	29½	30
NCNB	14⅝	14¾
NCR	66⅜	66⅞
New England El.	22⅞	22¾
NY State E & G	15¼	15¼
NY Times	34½	34¾
Newmont Mining	66½	66½
Niag. Mohawk	12⅝	12¼
NICOR Inc	35	35¼
Nielsen (AC) A	40⅝	40⅝
NL Industries	40⅛	40¼
NLT	28⅛	25⅝
Norfolk & Westn	47⅛	47⅛
Nth. Am. Coal	33⅜	32¼
Nth. Am./ Philips	46	46
Nthn. State Pwr.	24⅜	24⅛
Northgate Exp	5⅞	6
Northrop	45⅝	45¾
Nwest Airlines	27⅛	28⅛
Nwest Bancorp	27⅜	28
Nwest Inds	47	46⅞
Nwestn Mutual	10¼	10⅛
Nwestd Steel W.	24⅞	24⅞
Norton	47⅛	47¼
Norton Simon	16¼	16⅛
Occidental Pet	27⅛	27¾
Ocean Drill Exp.	31⅝	31⅞
Ogden	34⅛	34⅝
Ogilvy & Mrth.	31⅛	31⅛
Ohio Edison	12	12
Olin	23½	23¾
Omark	24⅜	24¼
Oneok	33⅛	33¾
Outboard Marine	18	18⅝
Overseas Ship	25¼	25⅜
Owens-Corning	25⅝	26
Owens-Illinois	29⅝	29⅛
PHH Group	41⅝	41⅛
PPG Inds	44¾	44½
Pabst Brewing	16⅛	17¼
Pac. Gas & Elect.	22¼	22¼
Pac. Lighting	27⅛	27⅝
Pac. Lumber	25⅛	25⅛
Pac.Tel & Tel	13⅝	13⅛
Palm Beach	25¾	26⅛
Pan Am Air	3½	3¾
Pan. Hand Pipe	39⅜	38⅜
Parker Drilling	26⅛	26¼
Parker Hanfn	34⅛	34⅛
Peabody Intl	7	7¼
Penney (JC)	31⅞	31⅛
Pennzoil	49⅞	47⅝
Peoples Gas	42¾	42⅛
Pepsico	33⅝	33⅝
Perkin Elmer	24⅞	25⅛
Petrie Stores	30½	31
Petrolane	19¾	19⅝
Pfizer	47	47
Phelps Dodge	41⅝	41⅜
Phila. Elect	13⅞	13⅝
Philbro	27⅞	29
Philip Morris	47⅝	47¼
Phillips Pet	43¾	43⅜
Pillsbury	40⅜	40⅜
Pioneer Corp	28¼	27⅞
Pitney-Bowes	27¼	27¼
Pittston	29	28⅜
Planning Res'ch	6⅛	6⅛
Plessey	63	63
Polaroid	27¼	27⅛
Potlatch	39⅝	39⅝
Prentice Hall	25	24¾
Procter Gamble	72⅝	72¾
Pub. Serv. E & G	19	18⅛
Pub. S. Indiana	21¼	21⅛
Purex	20¾	21⅜
Purolator	66⅛	66⅛
Quaker Oats	34⅛	34
Quanex	38¾	39¼
Questor	10	10
RCA	20¾	21¼
Ralson Purina	12⅛	12⅛
Ramada Inns	8⅜	8⅛
Rank Org. ADR	2¾	2¾
Raytheon	43	43¼
Reading Bates	36⅝	36¾
Redman Inds	12⅛	12
Reeves Bros.	37⅛	37⅛
Reichhold Chem	13¾	13⅝
Reliance Group	88¼	87¾
Republic Steel	27¾	28⅛
Rep of Texas	41⅛	41⅜
Resch Cottrell	12⅞	13⅛
Resort Intl A	20½	21⅞
Revco (DS)	36¾	36
Revere Copper	21⅝	21¾
Revlon	38⅞	39⅛
Rexnord	16	15⅞
Reynolds (RJ)	49⅜	48⅞
Reynolds Mtls	32	32⅛
Rite Aid	32	32
Roadway Exps	46¼	46¼
Robins (AH)	10¾	10¾
Rochester Gas	12⅞	12⅞
Rockwell Intl	35¼	34⅞
Rohm & Haas	62⅛	62¼
Rollins	18⅜	18⅝
Rolm	29⅝	31⅝
Roper Corp	14⅝	14⅞
Rowan	18⅛	18½
Royal Crown	14⅝	14⅝
Royal Dutch	33	33⅛
Rubbermaid	33½	33½
Russel Styr	16½	16½
Ryan Homes	21⅝	21⅝
Ryder System	33½	32⅝
SFN Companies	23⅝	23⅝
SPS Technol'gies	31⅝	31½
Sabine Corp	49⅝	47⅛
Safeco	36⅞	36⅜
Safeway Stores	29¼	28¾
St. Joe Minerals	39	39
St. Paul Cos	46⅝	46¼
St. Regis Paper	34⅜	35¼
Sante Fe Inds	24⅛	24⅜
Sante Fe Intl	26⅝	27⅛
Saul Invest	8⅝	8⅝
Saxon Inds	5¾	5¾
Scheinrg Plough	32	32
Schlitz Brew J	14	13⅞
Schlumberger	68¼	67¾
SCM	25⅞	26⅛
Scott Paper	19⅝	19⅛
Scudder Duo V	13⅝	13⅝
Seacon	20⅝	20¾
Seagram	53	54¼
Sealed Power	34¾	34½
Searle (GD)	32¼	33
Sears Roebuck	17⅞	17¾
Security Pac	38	38¾
Sedco	32½	32¼
Shell Oil	45½	45¼
Shell Trans	28⅜	28¾
Sherwin-Wms	20⅜	20⅛
Signal	29⅜	29⅛
Signope	40	40
Simplicity Patt	10⅜	10¾
Singer	18⅞	18⅞
Skyline	16¾	16½
Smith Intl	54⅜	55
Smith Kline	70⅜	70
Sonesta Intl	13	13½
Sony	21¼	20⅝
Southeast Bankg	20⅝	20⅛
Sth.Cal. Edison	26¾	26⅝
Southern Co	11⅞	11¾
Sthn Nat. Res	63⅛	63¼
Sthn. N. Eng. Tel.	41⅝	41⅝
Sthn. Pacific	49¾	48⅞
Sth. Railway	82⅝	82¾
Southland	29⅜	28¼
S W Bancshares	43⅛	43½
Sperry Corp	40½	40⅝
Spring Mills	25¾	24¼
Square D	31¾	31⅞
Squibb	31½	31⅞
Std Brands Paint	27½	27½
Std Oil Clifornia	41¾	41
Std Oil Indiana	60	60¾
Std Oil Ohio	49¾	49½
Stanley Wks	17	16¾
Stauffer Chem	22¼	22⅛
Sterling Drug	21	20¾
Stevens (JP)	14½	14¾
Stokely Van K	24¾	24⅛
Storage Tech	29⅜	30½
Sun Co	40	40
Sunbeam	21⅝	22
Sundstrand	47¼	47½
Superior Oil	39½	38¾
Super Val Strs	33¼	33¼
Syntex	53¾	53½
TRW	56⅜	56¾
Taft	29⅜	29⅝
Tampax	29½	29⅜
Tandy	30⅞	30¾
Teledyne	154⅜	154¼
Tektronix	52⅝	52⅜
Tenneco	39	39
Tesora Pet	19⅞	19⅞
Texaco	36	37
Texas Comm. Bk	39	38½
Texas Eastern	53⅜	53
Texas Gas Trn	35½	35⅜
Texas Instr'm'ts.	93⅞	93⅛
Texas Oil & Gas	37½	36⅛
Texas Utilities	20¾	20⅜
Texasgulf	53⅝	54¾
Textron	30¾	30½
Thermo Electro	26¼	26¼
Thomas Betts	56¾	56¾
Tidewater	36⅞	36¾
Tiger Intl	19⅝	19⅞
Time Inc	70⅛	70¼
Times Mirror	52¼	52⅜
Timken	68	67⅛
Tipperary	30⅜	29⅞
Tonak	26	26½
Total Pet	16¾	17⅛
Trane	25¼	25¾
Transamerica	22⅞	23
Tranway	25¾	25¾
Trans World	18⅞	19⅝
Travelers	43	43⅛
Tricentrol	10⅜	10⅛
Tri Continental	20⅞	21
Triton Oil Gas	23	23
Tyler	24⅝	24⅞
UAL	21	22¼
UMC Inds	11⅛	11¼
UNC Resources	10⅝	10⅞
Unilever N.V.	55⅛	53¾
Union Camp	55	55
Union Carbide	56½	56½
UnionCommerce	10	10
Union Oil Cal	39¼	39
Union Pacific	63	62⅝
Uniroyal	8¾	8⅞
Untd Brands	11⅛	11⅛
Utd. Energy Res.	45⅛	45⅝
US Fidelity G	42⅞	42¾
US Gypsum	35	35
US Home	24	23¾
US Inds	11⅜	11¼
US Shoe	32⅜	32¼
US Steel	30⅞	29⅝
US Surgical	30¾	28¾
US Tobacco	45⅛	45¼
US Trust	27⅞	28
Utd. Technolgs	48¾	49¼
Utd. Telecomms	20¼	20⅛
Upjohn	55⅝	55⅛
VF	36⅜	36⅛
Varian Assocs	29	29⅝
Vernitron	14¾	15
Virginia EP	11¾	11¾
Vulcan Matris	47¼	48¾
Walker (H) Res	26⅛	26⅞
Wallace Murray	47½	47⅛
Wal-Mart Stores	36¼	36
Warnaco	25¾	25⅜
Warner Comms	48	48¼
Warner-Lambert	20¾	20⅞
Washington Post	27⅝	27⅜
Waste Mangt	34¾	35
Weis Mkts	35⅛	35
Wells Fargo	32	32
W. Point Peppl	45	45
Western Airlines	10	10⅜
Westrn Bancorp	39⅛	39
Westn. Nth. Amr.	28¾	29⅛
Westinghouse	28	27⅞
Westvace	24⅛	24⅛
Weyerhaeuser	33	33¼
Wheelabratr F	45⅛	46⅞
Wheeling Pitts	34⅛	34
Whirlpool	25¼	25⅝
White Consoltd	32¼	32⅝
White Motor	1½	1⅝
Whittaker	42¾	42⅞
Wickes	13¾	13¾
Williams Co	27⅞	27⅞
Winn-Dixie Str	32½	32½
Winnebago	4⅝	4½
Wisc Elec Power	25¾	25½
Woolworth	22¼	22⅜
Wrigley	36½	36¾
Wyly	11½	11⅝
Xerox	49½	49⅞
Yellow Frt Sys	20¼	20¼
Zapata	29	28¾
Zenith Radio	15¾	15⅝

Indices

NEW YORK —DOW JONES

	July 29	July 28	July 27	July 24	July 23	July 22	1981 High	1981 Low	Since Cm'pil't High	Since Cm'pil't Low
•Industr'ls	947.40	953.46	945.57	956.74	928.56	924.66	1024.05 (27/4)	924.66 (22/7)	1051.70 (11/1/73)	41.22 (2/7/32)
H'me Bnds	59.60	59.70	59.66	58.74	59.63	59.76	65.78 (15/1)	58.57 (7/5)	—	—
Transport	401.84	401.10	403.03	402.17	400.97	402.65	447.38 (16/4)	373.18 (20/2)	447.38 (16/4/81)	12.23 (8/7/32)
Utilities	108.25	108.50	108.56	107.57	108.67	108.41	117.87 (6/1)	105.99 (6/5)	165.32 (20/4/69)	10.5 (28/4/42)
Trading Vol 000's	37,610	38,150	39,810	39,880	41,780	47,500	—	—	—	—

•Day's high 947.30, low 933.60.

Ind. div. yield %	July 24	July 17	July 10	Year ago (approx)
	5.83	5.70	5.72	5.76

STANDARD AND POORS

	July 29	July 28	July 27	July 24	July 23	July 22	1981 High	1981 Low	Since Cmpil't'n High	Since Cmpil't'n Low
‡Indust'ls	146.41	145.46	146.35	144.75	145.56	145.28	157.02 (6/1)	143.20 (22/7)	160.96 (28/11/80)	3.52 (30/6/32)
Composite	129.16	129.14	129.99	128.46	127.40	127.16	138.12 (6/1)	126.58 (20.2)	140.52 (28/11/80)	4.40 (1/6/32)

	July 22	July 15	July 8	Year ago (approx)
Ind. div. yield %	4.96	4.83	4.90	4.79
Ind. P/E Ratio	9.10	9.31	9.16	8.20
Long Gov. Bond yield	13.65	13.14	13.10	10.14

N.Y.S.E. ALL COMMON

July 29	July 28	July 27	July 24	1981 High	1981 Low
74.95	74.94	75.32	74.60	79.14 (6/1)	72.45 (20/2)

Rises and Falls	July 29	July 28	July 27
Issues Traded	1,861	1,870	1,911
Rises	686	527	939
Falls	734	913	566
Unchanged	441	430	406
New Highs	17	11	14
New Lows	31	43	32

MONTREAL

	July 29	July 28	July 27	July 24	1981 High	1981 Low
Industrials	368.32	393.51	399.79	399.28	409.58 (27/5)	365.26 (20/2)
Combined	358.75	364.66	369.95	369.26	375.16 (27/5)	339.34 (20/2)
TORONTO Composite	2267.6	2308.9	2351.6	2355.5	2378.8 (10/4)	2161.4 (20/2)

NEW YORK ACTIVE STOCKS

Wednesday	Stocks traded	Closing price	Change on day
Conoco	1,275,800	90⅛	−⅛
Schlitz Brewing	457,700	14	+⅛
Am. Airlines	433,900	14½	−½
Texaco	405,600	36xd	−1
UAL	374,200	21	−1¼
Houston Inds.	364,100	20½	+⅛
Cities Service	332,700	55⅜	−2⅛
Bucyrus-Erie	327,600	20	+1½
Am. T. & T.	308,600	55¾	+⅛
NLT	301,600	26⅛	+2½

	July 30	July 29	July 28	July 27	1981 High	1981 Low
AUSTRALIA						
All Ord. (1/1/80)	634.4	640.1	646.5	(u)	737.3 (6/4)	634.4 (30/7)
Metal & Minrls. (1/1/80)	512.5	517.5	525.4	(u)	735.2 (7/1)	512.5 (30/7)
AUSTRIA						
Credit Aktien (2/1/62)	58.04	58.21	57.97	58.15	66.45 (5/1)	57.97 (28/7)
BELGIUM						
Belgian SE (31/12/63)	75.57	76.12	76.43	75.57	86.15 (17/2)	68.53 (16/6)
DENMARK						
Copenhagen SE (1/1/73)	114.32	114.24	114.21	114.32	116.21 (3/7)	95.88 (2/1)
FRANCE						
CAC General (23/12/61)	89.5	90.7	91.8	90.3	112.5 (17/3)	77.5 (15/6)
Ind Tendance (31/12/80)	93.0	94.5	95.6	95.9	106.8 (15/5)	78.2 (12/6)
GERMANY						
FAZ-Aktien (31/12/58)	240.99	241.24	241.95	242.32	245.47 (3/7)	215.88 (2/2)
Commerzbank (Dec. 1953)	755.5	758.6	759.5	745.7	749.0 (3/7)	666.4 (16/2)
HOLLAND						
ANP-CBS General (1970)	91.6	91.5	91.7	91.3	96.2 (24.6)	86.7 (2/1)
ANP-CBS Indust. (1970)	71.6	71.5	71.1	70.8	75.4 (22/6)	62.8 (2/1)
HONG KONG						
Hang Seng Bank (31/7/64)	1639.39	(c)	1660.52	1664.81	1810.20 (17/7)	1295.44 (11/5)
ITALY						
Banca Comm Ital (1372)	205.95	200.04	191.75	190.95	292.03 (5/5)	156.44 (24/7)
JAPAN						
Dow Average (16/5/49)	7831.35	7825.56	7784.84	7816.76	7925.34 (5/7)	6956.52 (16/3)
Tokyo New SE (4/1/68)	592.34	591.81	589.58	590.90	595.10 (13/7)	495.79 (5/1)
NORWAY						
Oslo SE (1/1/72)	156.88	157.45	158.12	157.96	158.12 (28/7)	110.34 (5/8)
SINGAPORE						
Straits Times (1966)	804.46	795.63	798.75	791.58	873.26 (28/6)	658.51 (2/1)
SOUTH AFRICA						
Gold (1958)	(u)	548.0	545.9	556.7	797.6 (7/1)	475.6 (3/7)
Industrial (1958)	(u)	614.4	612.5	612.4	653.5 (1/5)	557.2 (3/2)
SPAIN						
Madrid SE (30/12/80)	135.50	134.80	134.86	(c)	141.40 (17/6)	100.46 (2/1)
SWEDEN						
Jacobson & P. (1/1/58)	594.26	593.59	595.42	590.71	595.42 (28/7)	404.17 (28/1)
SWITZERLAND						
SwissBankCpn. (31/12/58)	287.2	287.5	287.6	286.7	304.2 (2/4)	278.8 (27/5)
WORLD						
Capital Intl. (1/1/70)	—	150.4	150.4	151.3	162.3 (6/1)	149.0 (23/7)

Base values of all indices are 100 except Australia All Ordinary and Metals—500; NYSE All Common—50; Standard and Poors—10; and Toronto—1,000; the last named based on 1975. † Excluding bonds. ‡ 400 Industrials. § 400 Industrials plus 40 Utilities, 40 Financials and 20 Transports. c Closed. u Unavailable.

Early Wall Street rally fades

AN OPENING rally on Wall Street later faded, leaving the market only slightly higher at mid-session after a fair business.

The initial optimism over late Wednesday news of Congressional passage of President Reagan's tax Bill eroded as attention focused on the possible inflationary implications of the plan. In addition, the market was concerned about the heavy Government financing needs anticipated over the next couple of quarters.

Analysts said the two factors renewed fears that interest rates would not decline substantially for some time.

Teh Dow Jones Industrial Average, up 3.05 at the outset, was only 2.00 higher at 939.40 on balance at 1 pm. The NYSE All Common Index recorded a mere 5 cents net gain at $75.00, while rises retained just a slim lead over falls at mid-session after turnover of 29.05m shares (27.57m).

Active Conoco improved ⅜ to $90½. It again endorsed the tender offer from Du Pont, which formally extended the cash portion of its offer to 45 per cent of Conoco's outstanding shares from 40 per cent. Du Pont was up ¼ at $44⅜.

Among other active issues, volume leader General Foods put on ¼ to $32¼, but Trans World shed ⅜ to $18⅛ and Canadian Pacific 1¼ to $39⅞.

THE AMERICAN SE Market Value Index registered a decline of 1.72 at 358.33 at 1 pm. Volume 3.05m shares (2.97m).

Among the actives, Kirby Exploration jumped 5⅞ to $42¼, Dome Petroleum declined ¼ to $17⅜ and Gulf Canada slipped ¼ to $22¼. Universal Resources gained 1⅞ to $26⅜.

Canada

The recent slide in share prices continued in active early trading. The Toronto Composite index fell 38.5 more to 2,229.1 at mid-day, while Oil and Gas lost 92.2 at 4,735.9. Golds 31.2 at 3,774.2 and Metals and Minerals 36.9 at 2,273.0.

Analysts have attributed the recent broad decline to the persistent high level of interest rates and the low Canadian dollar.

Closing prices for North America were not available for this edition.

Tokyo

Share prices closed with a bias to lower levels after moderate trading. Investors' attention was mainly fixed on foreign exchange market developments, where the dollar continued to firm against the yen.

The Nikkei-Dow Jones Average edged up 7.79 more to 7,831.35, but declines on the First Market section outscored rises by 327 to 255 after volume down to 270m shares from Wednesday's 380m.

Export-orientated Blue Chips, such as Precision Instruments and Light Electricals, firmed initially in anticipation of a rise in Japanese exports as a result of the continued fall of the yen against the U.S. dollar, but later receded to finish mixed to easier on the day. Shipbuildings and Steels declined on profit-taking.

Heavy Electrical Machines, Optical Fibres, Motors, Drugs and Machineries tended to improve on selective buying.

Hitachi gained Y9 to Y778, **Toshiba** Y5 to Y424, **Honda Motor** Y40 to Y1,170, **Fuji Heavy** Y18 to Y571, **Takeda Pharmaceutical** Y30 to Y885, **Fujikura Cable** Y9 to Y367 and **Asahi Glass** Y12 to Y648. **Sumitomo Metal**, however, lost Y4 to Y279, **Sony** Y80 to Y4,970 and **Pioneer Electronic** Y140 to Y4,360.

Australia

BHP led the market to another low for the year despite moves by the company to put to rest rumours of a big Convertible Note issue.

BHP shares retreated a further 20 cents to A$13.05, making a loss of A$1.35 over the past two weeks, as the All Ordinaries index slipped 5.7 more yesterday to a new 1981 low of 634.4.

BHP directors said that they were unaware of any factors which would lead to a decrease in the share price, and added that no decision had been made on the form or timing of any fund raising.

General market turnover was light following the Royal Wedding holiday for London-based traders.

Weeks Australia, a subsidiary of **Weeks Petroleum**, reflected the market mood by finishing its first day on the boards at 47 cents, three cents below the issue price, after opening grimly at 55 cents.

CSR, still reflecting the chairman's caution regarding the 1981-82 year's prospects, ended 16 cents weaker at A$5.48.

Bridge declined 20 cents to A$5.80 and **Weeks Petroleum** 30 cents to A$5.70 in mostly weaker Oils.

Hong Kong

The market staged a recovery yesterday, although in reduced turnover, after falling for most of the past two weeks.

The Hang Seng index recouped 38.87 to 1,699.39, but was still about 111 points below the all-time high of 1,810.20 recorded on July 17. Combined turnover on the four exchanges contracted to HK$468.57m from Tuesday's total of HK$568.16m. The market was closed yesterday for the British Royal wedding.

A broker said that Singapore interests "went shopping" for a large block of **Hong Kong and Shanghai Bank** shares, which triggered general market buying by local investors. He added, however, that there was no indication the move represented a return of heavy overseas investment, and that the market would remain volatile in the near term.

The Hong Kong dollar continued to weaken against the U.S. unit yesterday, which fuelled fears that banks in Hong Kong might raise their interest rates today and dampen the stock market.

HK Bank advanced 50 cents to HK$16.90, as did **Hutchison Whampoa** to HK$22.20, while **Jardine Matheson**, HK$22.40, and **HK Land**, HK$11.40, picked up 40 cents apiece.

Germany

Shares finished on a mixed note, with brokers explaining that an earlier downtrend was partially reversed later in the session by an influx of foreign orders for isolated shares.

BASF advanced DM 3.20 to DM 146.20 for a two-day rise of DM 5.50, still benefiting from its subsidiary Wintershall's participation in promising energy projects. Elsewhere in Chemicals, **Bayer** put on DM 1 to DM 127.50 and **Degussa** DM 4.50 to DM 263.

Motors picked up, with **BMW** gaining DM 2, while **MAN** added DM 3 in Engineerings. In lower Stores, however, **Karstadt** lost DM 2.50.

On the Domestic Bond market, Public Authority Loans closed mixed, with losses of as much as 50 pfennigs and gains reaching 20 pfennigs. The Bundesbank sold DM 400,000 of stock.

Disappointment over the ruling coalition's spending cuts and the belief that U.S. tax cuts will tend to keep U.S. interest rates high weighed on the market, Bond dealers said. Many operators held the sidelines ahead of the probable launch today of a new Loan for the Federal Railways, with some dealers expecting a DM 900m 10-year issue, a 10½ per cent coupon and pricing at 99½ or 99¾.

Paris

Bourse prices mostly lost further ground in moderate activity, as profit-taking continued.

Reinvestment of dividends was less marked than in recent sessions, and the overnight easier close on Wall Street helped to depress sentiment. French Call Money's decline to 17⅞ per cent from 18, continuing the trend to lower interest rates, failed to encourage investors.

CANADA

Stock	July 29	July 28
AMCA Intl	22¼	22⅞
Abitibi	25¾	25½
Agnico Eagle	9¾	10⅛
Alcan Alumin	30¼	31⅛
Algoma Steel	41¼	42
Asbestos	40	40¾
Bk Montreal	27¼	28
Bk Nova Scotia	26⅝	26½
Basic Resources	9⅝	9¾
Bell Canada	18⅛	18⅜
Bow Valley	21¾	22⅞
BP Canada	47	48
Brascan A	34⅞	34⅝
Brinco	7⅝	7⅞
B. C. Forest	15⅞	15⅛
CadillacFairview	14⅞	15¾
Camflo Mines	24¼	24⅝
Can Cement	12⅝	13
Can NW Lands	39¼	39⅝
Can Packers	31	31¼
Can Perm Mtg	30	30½
Can Trusco	28	28¾
Can Imp Bank	27⅝	28
Cdn Inds	37⅛	37
Cdn Pacific	50⅝	50⅛
Can P. Ent	22⅛	23¼
Cdn Tire	33	33
Cherokee Res	8	8
Chieftain	27½	27⅞
Cominco	57¾	59⅞
Cons Bathst A	25¾	25⅝
Coseka Res	15⅞	16
Costain	12⅝	12½
Daon Devel	10⅛	10⅝
Denison Mines	41	41⅛
Dome Mines	26⅝	27⅜
Dome Petroleum	22¼	23⅜
Dom Foundries A	43½	43¾
Dom Stores	19⅝	19⅛
Domtar	35	35⅛
Falcon Nickel	97	97⅛
Genstar	31	31⅛
Gt. West Life	251	251
Gulf Canada	28⅛	28¾
Gulfstream Res	7¾	7¾
Hawk Sid. Can	19⅝	20
Hollinger Argus	43½	43⅛
Hudson Bay Mng	29⅝	30
Hudson's Bay	27¾	27¾
do. Oil & Gas	56¾	57⅛
Husky Oil	16	16⅝
IAC	9⅞	9⅞
Imasco	35½	36½
Imp Oil A	35½	36¼
Inco	23	23¼
Indal	17	17
Inter. Pipe.	14¾	14⅞
Mac Bloedel	37⅛	38⅛
Marks & Spencer	10¾	10½
Massey Ferg	3.50	3.50
McIntyre Mines	62	62
Merland Explor	11	11¼
Mitel Corp	36⅞	37⅝
Moore Corp	39½	41½
Nat. Sea Prods A.	10⅛	10⅛
Noranda Mines	33¼	33½
Nthn. Telecom	50	50
Oakwood Pet	24½	24
Pacific Copper	3.00	3.00
Pan can Petrol	91⅛	93
Patino	54	54
Placer Dev	18⅝	19⅛
Power Corp	19½	20⅜
Quebec Strgn	3.00	3.05
Ranger Oil	13¾	14⅛
Rsed Stenhs A.	11	11
Rio Algom	37⅛	37¼
Royal Bank	27	27⅛
Royal Trustco A.	18¾	18⅞
Sceptre Res	12¾	14
Seagram	65	65⅝
Shell can Oil	25	25½
Steel of CanA	33¾	33¾
Teck B	15½	15⅞
Texaco Canada	40	38½
Thomson News A	19¾	21¾
Toronto Dom Bk	29⅜	29⅝
TransCan Pipe	22⅝	22¼
Trans Mntn. Oil A	10	9⅞
Utd. Sisco Mines	14⅛	14⅛
Walker (H) Res	32¼	33
Warnor Res	4.00	3.75
Westcoat Trans	13	13⅛
Weston (Geo)	34¾	35

AUSTRIA

July 30	Price %	+ or −
Creditanstalt	326	....
Landerbank	290	....
Perlmooser	258	....
Semperit	98	....
Steyr Daimler	205	−3
Veitscher Mag	230	+1

BELGIUM/LUXEMBOURG

July 30	Price Frs.	+ or −
ARBED	1,000	−2
Banq Int A Lux	4,300	....
Bekaert B	1,304	....
Ciment CBR	1,016	+6
Cockerill	150	−1
EBES	1,222	+2
Electrobel	2,695	....
Fabrique Nat	2,050	....
G.B. Inno	1,900	−20
GBL (Brux L)	1,143	−4
Gevaert	1,320	+10
Hoboken	2,260	+40
Intercom	988	+8
Kredietbank	4,210	....
Pan Hldgs	5,700	....

BELGIUM (continued)

July 30	Price Frs.	+ or −
Petrofina	4,045	+35
Royale Belge	3,920	....
Soc Gen Banq	1,640	....
Soc Gen Belge	928	−10
Sofina	2,285	+5
Solvay	2,050	+20
Traction Elect	1,625	−5
UCB	1,110	....
Union Miniere	626	+6
Vieille Mont	1,356	+22

DENMARK

July 30	Price %	+ or −
Andelsbanken	116.4	....
Baltica Skand	355	....
CopHandelsbank	121.2	....
D. Sukkerfab	350.4	+1.2
Danske Bank	117.2	....
East Asiatic	153.6	+1.6
Finansbanken	154.4	....
Forenede Brygg	486.2	+0.8
Forenede Damp	283.4	−1.2
GNT Hldg	228	+1
Nord Kabel	158	+0.4
Novo Ind	1275	....
Papirfabrikker	101	....
Privatbanken	123	....
Provnsbanken	122.4	....
Smidth (Fl)	274	+3.8
S. Berendsen	530	+0.6
Superfos	134.5	+0.2

FRANCE

July 30	Price Frs.	+ or −
Emprunt 4½% 1973	2,385	+11
Emprunt 7% 1973	6,501	−4
CNE 3%	3,214	−25.9
Afrique Occid	510	−4
Air Liquide	475	−9
Aquitaine	862	−1
Au Printemps	109	....
BIC	514	+1
Banq' Rothschild	120	−4.5
Bouygues	775	−3
BSN Gervais	1,020	−20
Carrefour	1,610	−11
Club Mediter	477	−1
CGE	261	−2
CSF (Thomson)	214	−3
Cie Bancaire	145.5	−3.5
Cie Gen Eaux	256	−3.7
Cofimeg	121.7	+0.7
CCF	121.9	+1.9
Creusot Loire	47	−2
CFP	125.1	−5.9
DNEL	33	−0.6
Dumez	1,060	−1
Ferodo	230	−10
Gen.-Occidental	448	−8
Imetal	103.1	−3.4
Lafarge	296.7	+7.2
L'Oreal	645	−63
Legrand	1,438	−12
Machines Bull	34.9	−1.9
Matra	939	−33
Michelin B	815	−15
Moet-Hennessy	531	+3
Moulinex	61	−3.5
Paribas	169	−2
Pechiney	71.1	−2.4
Pernod Ricard	277	−1
Perrier	155	+5
Peugeot-SA	148.1	−4
Poclain	148	−2
Radiotech	233	−15
Redoute	675	−10
Rhone-Poulenc	50.5	−3.8
Roussel-Uclaf	191	−3.8
St. Gobain	93.8	−2.2
Skis Rossignol	490	−20
Suez	235	−2
Telemech Elect	1,000	−20
Thomson Brandt	159	....

GERMANY

July 30	Price Dm.	+ or −
AEG-Telef	48	+0.9
Allianz Vers	473	−4
BASF	146.2	+3.2
BAYER	127.5	+1
Bayer-Hypo	185	−1
Bayer-Verein	275	−1
BHF-Bank	195	+1
BMW	189.5	+2
Brown Boveri	275.5	−0.5
Commerzbank	139.5	−0.5
Conti Gummi	52.5	−0.5
Daimler Benz	353.5	+2
Degussa	263	+4.5
Demag	157.5	....
D'sche Babcock	206.5	−0.5
Deutsche Bank	285.5	+0.5
DU Schult	151	+0.5
Dresdner Bank	156	....
Dyck Zement	128	−0.5
GHH	235.5	−0.5
Hapag Lloyd	74	....
Hoechst	127	....
Hoesch	21.5	....
Holzmann (P)	482	....
Horten	125	−2
Kali und Salz	248.5	−1
Karstadt	217	−2.5
Kaufhof	187	−2
KHD	216.6	....
Kloeckner	47.5	....
Krupp	84	....
Linde	347.5	....
Lufthansa	59	−0.5
MAN	220	+3
Mannesmann	163.5	+0.5
Mercedes Hlg	318	+2
Metallgesell	305	....
Muench Ruck	641	+1
Preussag	192.6	+0.1
Rhein West Elect	170.5	−0.8
Rosenthal	339	+0.5
Schering	294.5	+0.5
Siemen	246.5	−1.9
Thyssen	69	+0.2
Varta	197.3	−0.8
Veba	138	+0.5
Verein-West	271	+1
Volkswagen	151.5	+0.7

HOLLAND

July 30	Price Fls.	+ or −
ACF Holding	83	....
Ahold	70.0	−0.10
AKZO	25.9	+0.4
ABN	292	−2
AMEV	66.4	−0.5
AMRO	52.4	+0.1
Bredero Cert	185	−1
Bos Kalis	75	+0.7
Buhrmann-Tet	50.7	+0.1
Caland Hldgs	36.5	+0.7
Elsevier	99.5	+0.6
Ennia	129.5	−0.1
EuroCom Tst	75	....
Gist. Brocades	66.5	−0.2
Heineken	45.3	−0.9
Hoogovens	16.2	+0.3
Hunter Douglas	10.2	....
Int-Muller	18.3	−0.3
KLM	100	....
Naarden	27.6	−0.1
Nat Ned Cert	112.9	+0.2
Ned Cred Bank	45	−0.2
Ned Mid Bank	154	−1
Nedlloyd	138.6	+1.1
Oce Grinten	108.7	−0.3
Ommeren (Van)	32.1	+0.1
Pakhoed	42.7	+0.4
Philips	24	+0.5
Rijn-Schelde	48.5	+0.3
Robeco	244.5	+1.5
Rodamco	117.2	+0.2
Rolinco	259	+1.5
Rorento	136.7	+0.5
Royal Dutch	89.6	−0.5
Slavenburg's	106	....
Tokyo Pac Hg	247.5	+2.5
Unilever	144.4	+0.4
Viking Res	161	+0.5
VMF Stork	46.8	+0.6
VNU	65.3	+0.2
Volker-Stevin	39	+0.4
West Utr Bank	100	....

ITALY

July 30	Price Lire	+ or −
ANIC	599	....
Assicur Gen	122,100	+2,800
Banca Com'le	79,000	+4,000
Bastogi Fin	384	+36
Centrale	6,850	−60
Credito Varesino	17,000	+1,000
Fiat	1,701	−49
Finsider	55	....
Invest	4,001	+101
Italcementi	35,180	+80
Italsider	264.5	....
Montedison	160	−2.75
Olivetti	3,105	−75
Pirelli Co	3,095	−4
Pirelli Spa	1,768.75	−48.25
Snia Viscosa	760	+42
do. do. Priv.	760	+55
Toro Assic	42,000	+2,000
do. Pref	30,650	....

NORWAY

July 30	Price Kroner	+ or −
Bergens Bank	110	−1
Borregaard	112.5	−2.5
Creditbank	126	−3
Elkem	74	....
Kosmos	464	....
Norsk Hydro	457.5	−2.5
Storebrand	179	....

SWEDEN

July 30	Price Kroner	+ or −
AGA	245	+2
Alfa-Laval	174	....
ASEA	122	....
Astra	347	−2
Atlas Copco	102	....
Boliden	285	+4
Cellulosa	276	−2
Electrolux B	102	+2
Ericsson	165	....
Esselte	180	....
Fagersta	118	−1
Fortia (Rest.)	345	−2
Mo och Dom	193	−2
Saab-Skania	154	−1
Sandvik	250	....
Skandia	340	+5
Skan Enskilda	195	−1
SKF B	140	−4
St. Kopparberg	313	−7
Sven Handelsbn	105	+4
Swedish Match	118	−1
Volvo	143	+3

SWITZERLAND

July 30	Price Frs.	+ or −
Alusuisse	975	−5
Brown Boveri	1,340	−10
Ciba-Geigy	1,265	−5
do (Part Certs)	975	....
Credit Suisse	2,195	−30
Elektrowatt	2,530	+10
Fischer (Geo)	625	+5
Hoff-Roche PtCts	76,750	−750
Hoff-Roche 1/10	7,600	−75
Interfood	5,575	−25
Jelmoli	1,245	....
Landis & Gyr	1,280	−10
Nestle	3,135	−15
Oer-Buhrlie	2,090	−10
Pirelli	238	+1
Sandoz (Br)	4,525	....
Sandoz (Pt Cts)	580	+8
Schindler (PtCts)	262	....
Swissair	725	+1
Swiss Bank	340	−6
Swiss Reinsce	6,750	+50
Swiss Volksbk	1,500	−15
Union Bank	3,013	−15
Winterthur	2,450	−20
Zurich Ins	16,600	−100

AUSTRALIA

July 30	Price Aust. $	+ or −
ANZ Group	5.30	−0.04
Acrow Aust	1.35	....
Allstate Expl	0.72	+0.02
Ampol Pet	1.45	....
Assoc. Pulp Pap.	2.32	....
Audimco	0.22	−0.01
Aust. Cons. Ind	1.80	+0.01
Aust. Guarant	3.10	....
Aust. Nat. Inds	3.05	+0.05
Aust Paper	1.96	....
Bank NSW	3.05	+0.05
Blue Metal	1.68	−0.07
Bond Hldgs	3.45	....
Boral	3.08	−0.12
Bl'ville Copper	1.55	−0.01
Brambles Inds	2.60	−0.05
Bridge Oil	5.80	−0.20
BHP	13.05	−0.20
Brunswick Oil	0.18	−0.01
CRA	4.00	....
CSR	5.48	−0.16
Carlton & Utd	2.18	+0.01
Castlemaine Tys	2.78	−0.02
Cluff Oil (Aust)	0.56	−0.01
Do. Opts	0.35	....
Cockburn Cemt	1.80	+0.05
Coles (G.J.)	2.37	+0.02
Comalco	1.90	....
Containers	6.40	....
Costain	3.4	....
Crusader Oil	5.90	−0.15
Dunlop	1.07	....
Elder Smith GM	4.30	−0.05
Endeavour Res	0.45	....
Gen Prop Trust	1.70	....
Hamersley	4.00	....
Hartogen Energy	7.50	....
Hooker	1.42	....
ICI Aust	1.90	....
Jennings	1.27	−0.05
Jimb'lana (50c FP)	0.60	....
Jones (D)	1.55	+0.05
Kia Ora Gold	0.20	....
Lennard Oil	0.55	....
MIM	3.70	−0.05
Meekatharra Ms	6.00	....
Meridian Oil	0.43	−0.01
Monarch Pet	0.29	....
Myer Emp	2.0	+0.05
Nat Bank	2.82	+0.04
News	2.65	....
Nicholas Int	1.45	+0.01
North Bkn Hill	2.85	−0.10
Oakbridge	2.30	....
Otter Expl	1.0	−0.20
Pancon	6.10	+0.30
Pan Pacific	0.30	....
Pioneer Conc	1.90	−0.05
Queen Marg't G	0.29	....
Reckitt & Coln	2.35	....
Santos	6.20	−0.10
Sleigh (H.C.)	1.25	....
Southland M'n'g	0.68	....
Spargos Expl	0.40	−0.01
Thos Natwide	2.42	−0.02
Tooth	2.65	....
UMAL Cons	3.20	+0.15
Valiant Consdt	0.30	....
Waltons	0.9	....
Western Mining	4.70	−0.05
Woodside Petrol	1.72	....
Woolworths	1.78	....
Wormald Intl	3.15	....

HONG KONG

July 30	Price H.K. $	+ or −
Cheung Kong	31.25	+0.75
Cosmo Prop	2.70	−0.05
Cross Harbour	9.3	−0.1
Hang Seng Bank	140	+2
HK Electric	6.25	+0.10
HK Kowloon Wh.	7.9	+0.2
HK Land	11.4	+0.4
HK Shanghai Bk	16.9	+0.5
HK Telephone	25.9	....
Hutchison Wpa	22.2	+0.5
Jardine Math	22.4	+0.4
New World Dev	7.0	+0.1
O'seas Trust Bk	7.5	−0.10
SHK Props	17.9	+0.4
Swire Pac A	17.1	−0.1
Wheel'k Mard A	7.80	+0.15
Wheel'k Marit'e	5.60	....
World Int. Hldgs	4.60	−0.15

JAPAN

July 30	Price Yen	+ or −
Ajinomoto	900	+5
Amada	822	−3
Asahi Glass	648	+12
Bridgestone	490	+3
Canon	1,740	+10
Citizen	444	−3
Daiei	620	−6
DKBO	402	....
Dai Nippon Ptg	835	....
Daiwa House	287	−3
Daiwa Seiko	499	+26
Ebara	461	−6
Eisai	830	+9
Fuji Bank	401	....
Fuji Film	1,950	....
Fujisawa	1,030	+20
Fujitsu Fanuc	6,300	+90
Green Cross	1,420	+30
Hasegawa	540	−10
Heiwa Rl East	535	−4
Hitachi	778	+9
Hitachi Koki	623	−7
Honda	1,170	+40
House Food	1,010	+10
Hoya	950	+9
Itoh (C)	358	−1
Ito-Ham	410	−10
Ito-Yokado	1,150	−20
JACCS	685	+5
JAL	2,400	+10
Jusco	730	+5
Kajima	329	−3
Kao Soap	547	+1
Kashiyama	804	+3
Kikkoman	335	−6
Kirin	469	+2
Kokuyo	1,290	−50
Komatsu	402	+2
Komatsu F'lift	658	−4
Konishroku	803	+8

JAPAN (continued)

July 30	Price Yen	+ or −
Kubota	351	−1
Kumagai	335	−2
Kyoto Ceramic	4,060	−80
Lion	395	+10
Maeda Cons	521	+1
Makita	945	....
Marubeni	342	+4
Marudai	695	+15
Marui	930	+15
Matsushita	1,780	−20
M'ta Elec Works	610	+10
M'bishi Bank	401	....
M'bishi Corp	635	−4
M'bishi Elec	447	+2
M'bishi Rl Est	410	−3
MHI	286	−3
Mitsui Co	300	....
Mitsui Rl Est	540	−5
Mitsukoshi	430	....
NGK Insulators	417	+1
Nippon Denso	1,760	....
Nippon Gakki	765	+2
Nippon Meat	423	....
Nippon Oil	825	+4
Nippon Shinpan	906	−4
Nippon Steel	206	−3
Nippon Suisan	209	+2
NTV	4,070	−30
Nissan Motor	1,150	+10
Nisshin Flour	321	+1
Nisshin Steel	200	....
Nomura	720	....
NYK	285	−2
Olympus	1,650	−20
Orient	1,440	−20
Pioneer	4,360	−140
Renown	820	+4
Ricoh	1,020	+10
Sanyo Elect	539	+1
Sapporo	256	....
Sekisui Prefab	672	+2
Sharp	945	+5
Shiseido	815	....
Sony	4,970	−80
Stanley	456	+1
S'tomo Marine	296	....
Taihei Dengyo	565	....
Taisei Corp	218	+1
Taisho Pharm	540	+10
Takeda	885	+30
TDK	3,150	−150
Teijin	202	−4
Teikoku Oil	570	−5
TBS	398	−7
Tokio Marine	719	−2
Tokyo Elect.Pwr.	870	−10
Tokyo Gas	111	+1
Tokyo Sanyo	511	+14
Tokyu Corp	210	....
Toshiba	424	+5
TOTO	436	−1
Toyo Seikan	451	−9
Toyota Motor	1,530	+20
Victor	4,240	−80
Wacoal	758	+2
Yamaha	1,110	+60
Yamazaki	540	....
Yasuda Fire	308	+2
Yokogawa Bdge	581	+1

SINGAPORE

July 30	Price $	+ or −
Boustead Bhd	7.70	+0.30
Cold Storage	4.30	+0.30
DBS	8.05	+0.45
Fraser & Neave	6.00	−0.10
Haw Par	4.32	+0.06
Inchcape Bhd	2.80	....
Malay Banking	6.7	....
Malay Brew	7.20	....
OCBC	11.40	−0.10
Sime Darby	4.02	+0.02
Straits Trdg	9.50	+0.30
UOB	6.15	+0.15

SOUTH AFRICA

July 30	Price Rand	+ or −
Abercom	3.95	....
AE & Cl	8.9	+0.4
Anglo Am	15.25	+0.25
Anglo Am. Gold	97.5	....
Anglo Am. Prop.	2.3	....
Barlow Rand	9.8	....
Buffels	36.25	−0.25
CNA Invest	5.5	....
Currie Finance	2.30	....
De Beers	8.8	....
Driefontein	30.5	....
FS Geduld	41.25	−0.25
Gold Fields SA	88	....
Highveld Steel	5.1	....
Hulette	7.25	....
Kloof	33.5	−0.5
Nedbank	6.6	−0.05
OK Bazaars	18.75	+0.25
Protea Hldgs	3.02	+0.02
Rembrant	9.80	....
Rennies	4.02	+0.05
Rust Plat	5.25	....
Sage Hldgs	2.2	+0.05
SA Brews	4.15	+0.05
Tiger Oats	18.5	....
Unisec	2.65	....

Financial Rand US$0.80½
(Discount of 24⅛%)

BRAZIL

July 30	Price Cruz	+ or −
Acesita	0.95	+0.05
Banco Brasil	5.83	−0.02
Banco Itau	1.55	....
Belgo. Min	1.95	−0.05
Lojas Amer	3.70	−0.05
Petrobras PP	3.33	−0.02
Pirelli OP	1.05	....
Souza Cruz	4.60	+0.10
Unip PE	5.00	....
Vale Rio Doce	8.55	−0.05

T'over Cr.1.814m. Vol. 389.6m.
Source: Rio de Janeiro SE.

NOTES—Prices on this page are as quoted on the individual exchanges and are last traded prices. ‡ Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

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COMMODITIES AND AGRICULTURE

UK delays cocoa pact acceptance

BRITAIN has withheld provisional acceptance of the International Cocoa Agreement until next week, in spite of other members of the European Community agreeing to ratify the pact before the deadline of August 1, reports Reuter.

The EEC Commission confirmed yesterday it had notified the United Nations of the Community's provisional acceptance of the pact. It added that among the member states Britain still has to give its notification.

Britain has decided to delay a final decision until after the meeting of the International Cocoa Council on Monday when it will become clear whether or not the Ivory Coast, which has refused to join the new pact, will press for the return of its share of the $230m buffer stock intended to be carried over from the old agreement.

The Commission in its letter to the UN noted that Britain wanted EEC participation in the new pact to be reviewed after a year in the light of what happens to the assets of the previous agreement.

New York fall trims coffee

COFFEE VALUES fell back on the London futures market reflecting an overnight downturn in New York. Dealers attributed the fall to lack of further news about recent frost damage in Brazil.

The September futures position ended near the day's low at £1,099.50 a tonne, down £45.

Speculation about the amount of coffee destroyed from Brazil's 1982-83 crop has dominated the market in recent days. The last estimate from the Brazilian Coffee Institute put the damage at about 45 per cent of the previously expected 28m bags (60 kilos each).

Some experts, however, doubt that the damage is that severe and it has been pointed out that a bumper 32.1m bag crop this season will leave the world with more than adequate stocks to weather the 1982-83 Brazilian shortfall.

Nevertheless the coffee surplus which pushed prices to five-year lows early this month will be significantly reduced and some analysts believe that will be enough to keep prices at or above current levels in the near future.

UK boats pull out of Scottish herring rush

BY MARK MEREDITH, SCOTTISH CORRESPONDENT

BRITISH FISHERMEN in the herring grounds to the West of Scotland have pulled out in disgust because the processing industry in Britain was unprepared to take their catches.

A rush for the herring grounds by Common Market fishermen started early this week, following the lapse of a three-year ban to conserve stocks. The British fishing industry had hoped in vain for a Common Fisheries' Policy allowing for a gradual resumption of herring fishing.

By Tuesday night, about 300 vessels were estimated to be making their way towards the grounds.

A fishing industry official last night described as a complete disaster the return of the British herring fleet after its three-year wait. About 20 boats arrived and some had landed their catches only to find that little or none could be sold for human consumption because the processing industry was not yet reorganised and in operation, following the three-year lay-up.

Of one 500-tonne catch, all but 50 tonnes were sold at £35 a tonne for fishmeal. Mr Sandy Baird, a spokesman for the fishermen, said that, following a conference over their radios, the boats' skippers decided to pull out.

Meanwhile, Lord Mansfield, the Minister at the Scottish Office responsible for fishing, tried to reassure the fishermen. The twice-weekly report by EEC member countries of their herring fishing would be strictly enforced. The grounds to the West of Scotland will also be closely monitored by fishery protection vessels and Nimrod aircraft, to make sure the stocks were not over-fished.

A quota of 65,000 tonnes stands as a gentleman's agreement on the total available catch but is not legally binding. However, once the catch was reached, the Community would close the grounds to preserve stocks, Lord Mansfield said.

Any cheating by fishermen from other countries would be a very grave matter, affecting relations with Britain's partners in the Common Market, he added.

The fishermen have demanded 67 per cent of the total available catch, under a new fisheries' policy, and they now have little prospect of getting anything like this.

But one small comfort for them is the existence of small fishing grounds in the Minches, off the West Coast, which are reserved for UK fishermen and can be fished when the processing industry is prepared.

Stockpile silver sales doubts

BY NANCY DUNNE IN WASHINGTON

A HOUSE-SENATE conference committee in Congress, working out differing provisions of stockpile legislation, has approved the sale of 105m oz of silver between 1982 and 1984.

However, in accepting the House Bill, the conferees have also approved an arrangement which would make improbable the actual sale of the total 105m oz.

By law, sales cannot be made from the stockpile if they disrupt the market. The price of silver has been falling, and Capitol Hill expects it to decline even further.

Under the proposed legislation, 46.5m oz would be sold in 1982; 44.7m in 1983; and 13.9m in 1984. Silver not sold in its designated year cannot be sold the next year but must be returned to the stockpile. Disposals in the first year would require sales of almost 1m oz a week, and to do that without disrupting the market is considered to be almost impossible.

The silver sale was approved by the House Armed Service Committee when no other means could be found to raise money for new defence expenditures. The committee reluctantly reversed the decision of its stockpile sub-committee which had vetoed the sale because proceeds would not benefit the stockpile transaction fund but would instead go towards balancing the budget.

Along with the silver sale, conferees have authorised $535m for the acquisition of new stockpile materials. The specific materials to be bought have been classified as secret information to avoid sending prices up.

In other legislative action yesterday, the U.S. commodities industry won another victory when the House passed a weakened tax straddle measure, called the "basket" approach, which would allow tax deductions on losses for commodity straddlers. In doing so, the House rejected the Senate finance committee's controversial "mark to market" Bill, designed to eliminate the use of all market straddles as tax shelters.

The House Bill would deter outside straddlers, who enter the market only for the purpose of reducing their taxes on income earned outside the commodity markets.

The Senate finance proposal requires that all straddle transactions be taxed at the end of the year. The House Bill would tax them when the transactions are closed out and it permits excess losses to be carried over from year to year.

The two versions will now have to be resolved in conference. The industry lobbied hard for the House Ways and Means version, claiming the Senate Bill threatens the liquidity of the market. The Washington Post on Wednesday reported unidentified sources on Capitol Hill as saying that the Chicago Board of Trade and the Chicago Mercantile Exchange had put out the word that Congressmen who supported the "basket" concept might find campaign contributions available.

Prime Minister to visit Norfolk

THE PRIME MINISTER will visit Norfolk next Wednesday. The trip will include an exhibition of Lotus cars at Norwich Airport; a visit to Norplan, manufacturers of fitted furniture at Norwich, and a stop at county police headquarters.

Copper leads base metals upsurge

By John Edwards, Commodities Editor

BASE METAL values surged upwards on the London Metal Exchange yesterday reflecting price rises in the U.S. and the fall in sterling against the dollar.

Copper cash wirebars jumped by £38 to £960 a tonne, its highest level since April last year. While the London market was closed on Wednesday for the Royal Wedding, New York values rose following the move by Asarco to lift its domestic copper price by 2.50 cents to 85 cents a pound. Yesterday the Canadian producer, Noranda, raised its U.S. price by 3 cents to 86 cents.

Lead prices in London were also boosted to the highest level for 15 months by news that Asarco had raised its U.S. domestic price for lead by 2 cents to 43 cents pound. Cash lead closed £10.5 up at £466 a tonne.

Further encouragement to the recent surge in both lead and zinc prices was provided by a report that any new moves to settle the Tara Mines strike could well be delayed until next week after the Irish bank holiday on Monday. Cash zinc rose by £4 to a seven-year high of £482.5 a tonne.

Cash tin gained £195 to £7,925 a tonne, widening its premium over the three months' quotation which closed £122.5 higher at £7,775.

The rise in tin prices followed an increase in the Malaysian market overnight to the highest level for eight months and further buying by the influential dealers, who have been mainly responsible for forcing values up dramatically in the past fortnight.

End to 'tuna war'

THE U.S. and Canada formally signed a treaty this week that ended a two-year dispute over tuna-fishing rights in the Pacific ocean.

The so-called "tuna war" began two years ago when Canada seized 19 U.S. fishing vessels in West Coast waters for allegedly fishing tuna illegally. The U.S. retaliated by banning Canadian tuna vessels from U.S. ports, and Canadian fish products from American markets.

FARMER'S VIEWPOINT: ANIMAL WELFARE

Reforming zeal versus economic reality

BY JOHN CHERRINGTON, AGRICULTURE CORRESPONDENT

THE publication of the suggestions by the Commons agricultural committee on animal welfare has drawn the usual criticism from interested farming bodies. This is that the adoption of the suggestions would raise the cost of food.

The report calls for the phasing out of battery cages for laying hens within five years, and an increase of the area given to each bird until this is achieved. Battery cages have been under threat of restrictive legislation for a long time, and those who use them—about 95 per cent of poultry farmers—claim that they could not manage without them unless prices were raised substantially.

There is no evidence that the battery system is of itself cruel in that it causes actual physical suffering to the birds. They are warm, because their very numbers raise the temperature, they are well fed and produce well.

It is true that they do spend their laying lives crouched on sloping wires, unable to spread their wings or scratch in dust which is what hens in the open like to do. They are discouraged from cannibalism by being debeaked. This means trimming the beak in an operation generally described as being akin to nail trimming.

The revulsion which many people genuinely feel about the battery system is mainly ethical. They feel it is an exploitation of animals, much the same sentiments that their forebears did about slavery and children in the mines. That there comes a point which such practices can no longer be tolerated in a civilised society, in spite of economic arguments to the contrary.

The chief arguments for the battery system is that it cheapens basic production costs below that of any other way of keeping hens. Eggs will cost more if the battery system is in any way restricted is the classic argument of the supporters of batteries.

This is quite true. Farmers who use other systems, such as deep litter, free range or variants of these try to make a premium price. In this they are partly successful, because they are small-scale farmers serving at present a limited demand. The great mass of the population remains indifferent. An egg is an egg, whether it comes from "batteries" or fields in Britain, or for that matter from overseas.

Poultry farmers have their strongest case in pointing out that it would be most unfair for them to be restricted as to their means of production, while farmers in other countries of the EEC could continue to flood this market with eggs produced without restriction. This is a valid point, but my impression is that the EEC is beginning to move towards some control of these practices.

On pigs the committee inclines towards abolishing the close confining of sows by tethers or in fixed stalls, and the stopping of castration of fattening pigs and tail docking. Sow tethering is a method which enables the farmer to economise in space and management resources. It removes all danger of fighting, and allows for efficient feed rationing. Again there is no evidence of physical suffering. Less in fact than in some more extensive systems where sows can suffer bullying almost to the point of death.

The objections to non-castration stems from the belief that pork or bacon from entires can suffer from boar taint. This has been proved fallacious by the Meat Research Institute, but is a view still widely held and in fact increasing, I am told, among some supermaret chains. Contrary to some experience I have not found entire pigs to fatten faster and grade better than castrates. But castration is not a job I like to have to do.

I felt that same about tail docking until I found that an occasional pig would be bullied by its pen mates and the tail was the most obvious target. Docking at a day old seems to have prevented its recurrence.

The adoption of battery type systems for pigs has not made the same progress as for chickens. Mainly because the capital costs are so high and the returns so uncertain. It is often cheaper to employ more labour than to mechanise further.

Veal calf production is on a very small scale in this country, but there is no doubt that the system of rearing in straw yards as practised by at least one company here, can be made economic and the calves look as well as they do in crated systems I have seen. Again I think the objection to the crated systems is due to a natural revulsion to the confinement of any animal. Calves certainly look better on straw, chewing the cud and licking themselves—something they cannot do in crates.

The committee recognises that some measure of import restrictions would have to be used to protect British farmers should these changes be brought about unilaterally. It would be pointless to destroy a section of British farming if the offending practices flourished unchecked elsewhere thus giving the foreigner a very unfair advantage.

What are the chances of the recommendations being put into effect? Very slight I would say, in the immediate future. But this is because the public has not been sufficiently educated into the argument. Supporters of the status quo are relying on this, but they could well be mistaken. Once a reforming zeal seizes the British public it does not let go in a hurry.

John Cherrington

Milling wheat intervention

BRUSSELS—The EEC Commission confirmed yesterday that full scale intervention for milling wheat will begin throughout the Community tomorrow. It will continue for the first three months of the 1981-82 season.

The National Farmers' Union warned its members yesterday to expect supplies of cereal feeds to tighten.

"It is clear from reports from all over the Community that winter barley yields in particular are disappointing," Mr Christopher Righton, vice president of the union, said.

He suggested that cereal producers should be careful when contracting to sell feed barley to do so at prices which reflected this tightening supply situation. Livestock farmers should take advantage of present market levels to secure supplies of feed cereals.

BRITISH COMMODITY MARKETS

BASE METALS

Base Metal Prices surged ahead on the London Metal Exchange in response to the substantial gains in overnight American markets. Copper closed at £989.5, after £992 reflecting the Asarco producer price rise and the fall in sterling. Lead was finally £464 and Zinc £494. Renewed demand from the recent heavy buyers lifted Tin to £7780 with the backwardation widening to £150 reflecting a tightening of the recent squeeze on nearby supplies.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	961.5-2	+44.5	959.5-60.5	+38
3 months	988.5-9	+45	988-.5	+38.5
Settlem't	962	+44.5	—	......
Cathodes				
Cash	956-7	+44.2	954.5-5.5	+38
3 months	980-1	+44.7	977.5-8.5	+37.7
Settlem't	957	+44.5		......
U.S. Prod.	—		*80-5	......

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £961.5, 62; three months £984, 85, 86, 87, 88, 89, 88.5, 88, 8.5, 89, 8.5. Cathodes: Three months £980. Kerb: Wirebars, three months £985, 88.5, 88, 87.5, 87, 86, 85. Afternoon: Wirebars, three months £987, 86.5, 86, 88, 88.5, 88. Kerb: Wirebars, three months £989, 89.5, 90, 90.5, 91, 92, 91, 90.5, 90, 89.5. Turnover: 18,950 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	7850-5	+16.5	7920-30	+188
3 months	7735-40	+65.5	7770-80	+122
Settlem't	7850	+160	—	......
Standard				
Cash	7850-5	+177	7920-30	+195
3 months	7735-40	+66.5	7770-80	+122
Settlem't	7855	+175	—	......
Straits E.	$33.08	+0.84		......
New York	—	......		

Tin—Morning: Standard, cash £7850; three months £7740, 30, 10, 20, 25, 30, 35, 40. Kerb: Standard, three months £7740, 30, 25, 30. Afternoon: Standard, three months £7755, 50, 60, 80, 90, 7800, 7790, 80. Kerb: Standard, three months £7800, 7790, 85, 80, 85. Turnover: 1,415 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	466.5-7.5	+10.7	465.5-6.5	+10.5
3 months	468.5-9	+12	467.5-8	+11.5
Settlem't	467.5	+11	—	......
U.S. Spot	—	......	*41	......

Lead—Morning: Cash £467.5; three months £470, 69, 68.5, 68, 68.5, 69, 69.5, 69. Kerb: Three months £469, 68, 67, 66. Afternoon: Three months £467, 68.5, 66, 67, 67.5, 68. Kerb: Three months £469, 68, 67.5, 67, 66, 65, 64, 63, 62.5, 63, 64. Turnover: 14,875 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
	£	£	£	£
Cash	485.5	+1.5	482.3	+4
3 months	496.5	+1.75	493.5	+5
S'ment	486.5	+1.5	—	......
Primw'ts	—	—	*46.5	......

Zinc—Morning: Three months £498, 97.5, 97, 96, 96.5, 95, 97, 96.5, 96, 96.5. Kerb: Three months £498, 95, 94. Afternoon: Three months £499, 95, 96, 95.5, 95, 94.5, 94, 93, 92, 93.5. Kerb: Three months £499, 95, 94, 93.5, 93. Turnover 7,950 tonnes.

Alumin'm	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
	£	£	£	£
Spot	683.5-4.5	+38	678-9	+15.5
3 months	706.5-7	+31.2	701-2	+38.2

Aluminium—Morning: Three months £703, 4, 5, 6, 7, 6, 6.5, 7, 6.5. Kerb: Three months £706, 7. Afternoon: Three months £705, 4, 5, 4.5, 4, 3.5, 4, 3, 2. Kerb: Three months £793, 2. Turnover: 9,375 tonnes.

NICKEL	a.m. Official	+ or —	p.m. Unoffici'l	+ or —
Spot	3330-40	+40	3325-35	+25
3 months	3362-5	+34.5	3355-65	+57.5

Nickel—Morning: Cash £3335; three months £3375, 70, 68, 65. Kerb: Three months £3360. Afternoon: Three months £3365, 60, 65. Kerb: Three months £3350, 60, 55. Turnover: 408 tonnes.

† On previous unofficial close.

* Cents per pound. ‡ M$ per kilo.

SILVER

Silver was fixed 6.55p an ounce higher for spot delivery in the London bullion market yesterday at 455.45p. U.S. cent equivalents of the fixing levels were: spot 841.2c, up 6.7c; three-month 878.8c, up 6.4c; six-month 921.8c, up 9.9c; and 12-month 990.2c, up 10.2c. The metal opened at 452-458p (840-850c) and closed at 454-459p (845-855c).

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	455.45p	+6.55	459.0p	+9.5
3 months	470.55p	+6.10	474.5p	+10
6 months	489.00p	+7.80	—	......
12months	520.90p	+7.30	—	......

LME—Turnover 61 (63) lots of 10,000 ozs. Morning: three months 471, 70, 71, 71.5, 71, 70. Kerb: three months 470. Afternoon: three months 475, 74, 74.5, 75. Kerb: three months 474.

COCOA

Futures initially eased lower following New York's close but fresh trade and industry support later pared losses as prices traded within a narrow range throughout a featureless day. Actuals business was quiet with both producers and consumers sidelined, reported Gill and Duffus.

COCOA	Yes'rday's Close	+ or —	Business Done
July	1110-15	—12.5	1120-15
Sept.	1133-34	—1.0	1135-24
Dec.	1175-76	+2.0	1176-64
March	1189-90	—2.0	1190-80
May	1200-01	+4.5	1200-191
July	1206-09	+6.0	1204-198
Sept.	1216-19	+3.0	1214-07

Sales: 2,665 (2,516) lots of 10 tonnes. ICCO Futures—Daily prices for July 27: 97.11 (97.83); five-day average 95.89 (95.07).

COFFEE

A lower than anticipated opening saw values declining under trade pressure, reports Drexel Burnham Lambert. An attempt by dealers to support the market failed and enforced long liquidation as the decline accelerated in thin volume. A relatively steady New York performance prompted a short-lived rally before a second retreat touched stop-loss selling.

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per tonne		
July	1060-90	—51.0	1107-080
Sept	1098-99	—45.0	1140-095
Nov	1086-90	—36.0	1115-079
Jan	1090-95	—29.5	1120-090
March	1091-93	—20.5	1120-090
May	1095-103	—14.0	1120-098
July	1100-15	—11.0	1125-120

Sales: 6,620 (6,657) lots of 5 tonnes. ICO Indicator prices for July 29: (U.S. cents per pound): Comp. Daily 122.42 (118.38); 20-day average 102.90 (99.74).

WOOL FUTURES

LONDON NEW ZEALAND CROSSBREDS—Close (in order: buyer, seller, business). New Zealand cents per kilo: Aug 410 buyer, nil; Oct 403, 408, nil; Dec 404, 408, 406-405; Jan 405, 409, 407-406; March 415, 420, 416; May 425, 428, nil; Aug 433, 437, 435; Oct 438, 440, 439; Dec 439, 440, 440; Jan 438, 441, 440. Sales: 18.

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business). Australian cents per kilo: Oct 498.0, 498.5, 499.0-496.0; Dec 506.5, 506.9, 506.9-503.0; Mar 516.1, 517.0, 517.0-512.5; May 525.5, 526.0, 525.5-522.5; July 533.0, 534.0, 534.0-529.5; Oct 530.0, 531.0, 530.0; Dec 533.0, 534.0, 533.0. Sales: 247.

GAS OIL FUTURES

After an easier opening, the strength of the July price and a firmness in the physical market kept the forward months steady throughout the day, reports Premier Man.

Month	Yesterd'ys close	+ or —	Business Done
	$ U.S. per tonne		
July	304.00	+8.00	308.00-99.00
August	298.00	+2.00	298.50-95.00
September	300.25	+1.00	300.75-98.00
October	304.00	+1.50	304.00-02.75
November	307.50	+2.00	307.50-07.25
December	311.50	+1.00	312.00-09.00
January	314.50	+1.00	315.00-14.00
February	317.50	+1.00	317.50-17.50
March	320.00	—0.50	320.00-20.00

Turnover: 641 (715) lots of 100 tonnes.

GRAINS

Wheat and barley opened lower and remained settled allowing switchers and wheat/barley spreaders to trade. Good harvest weather produced some hedge selling of barley which produced sellers of wheat as spreads were liquidated. Barley found some commercial buyers and remained fairly steady, but wheat found a fresh wave of selling on the close, Acli reports.

	WHEAT		BARLEY	
Mnth	Yesterd'ys close	+ or —	Yesterday's close	+ or —
Sep	102.95	—1.15	96.00	—0.60
Nov	106.95	—0.85	100.25	—0.35
Jan	111.05	—0.75	104.35	—0.30
Mar	114.90	—0.80	108.00	—0.55
May	118.40	—0.70	111.40	—0.50

Business done—Wheat: Sept 103.65-102.95, Nov 107.30-106.85, Jan 111.40-110.95, March 115.10-114.90, May 118.75-118.50. Sales: 170 lots of 100 tonnes. Barley: Sept 96.10-95.85, Nov 100.35-99.80, Jan 104.35-103.95, March 108.05-107.90, May 111.50-111.20. Sales: 312 lots of 100 tonnes.

LONDON GRAINS—Wheat: U.S. Dark Northern Spring No 2 14 per cent Aug 113.75, Sept 14.50, Oct 116.00 transhipment East Coast. U.S. Hard Winter 13½ per cent Aug 117.60 transhipment East Coast. English Feed fob Sept 107.50, Oct/Dec 111.50, Jan/Mar 118.00 East Coast. Maize: French July 130, Aug 125 transhipment East Coast. S. African Yellow Aug/Sept 95.50. Barley: English Feed fob Aug 97.00, Oct 102.25, Oct/Dec 103.50 paid East Coast. Rest unquoted.

HGCA—Locational ex-farm spot prices. Feed barley: S East 95.00, S West 91.00, W Mids 91.00, N West 91.00. The UK Monetary Coefficient for the week beginning Monday August 3 is expected to change to 0.906.

RUBBER

The London physical market opened about unchanged, little interest throughout the day, closing quiet. Lewis and Peat reported a fob July price for No. 1 RSS in Kuala Lumpur of 246.0 (242.0) cents a kg and SMR 20 215.5 (215.0).

No. 1 R.S.S.	Yest'r'ys close	Previous close	Business Done
Sept	65.60-66.00	64.50-64.60	—
Oct	66.00-66.40	64.90-65.00	—
Oct-Dec	66.40-66.60	65.40-65.50	66.90-65.70
Jan-Mar	68.90-69.00	68.00-68.10	69.50-68.30
Apl-Jne	71.90-72.00	71.00-71.10	72.20-71.30
Jly-Sept	74.80-75.00	73.90-74.10	74.90-74.10
Oct-Dec	77.80-78.00	77.00-77.10	—
Jan-Mar	81.10-82.00	80.00-80.10	—
Apl-Jne	84.10-84.20	82.90-83.10	84.20-84.10

Sales: 491 (436) lots of 15 tonnes: nil lots of 5 tonnes. Physical closing prices (buyers) were: Spot 64.25p (62.75p), Sept 63.00p (62.25p), Oct 64.25p (63.75p).

COTTON

LIVERPOOL—Spot and shipment sales amounted to 510 tonnes, bringing the total for the week so far to 904 tonnes. The largest daily offtake since mid-June heralded a less cautious mood among users, and inquiry strengthened. Demand was mainly in Middle Eastern and similar growths.

SOYABEAN MEAL

The market opened steadier in mixed buying, reports T. G. Roddick. Prices remained steady firming late on lack of selling.

	Yesterdys Close	+ or —	Business Done
	£ per tonne		
August	136.10	......	136.70
October	138.10-38.7	+2.15	138.50-38.65
December	142.00-42.8	+1.95	142.10-41.50
February	144.00-46.0	+1.60	144.00
April	145.00-46.0	+2.25	—
June	148.00-50.0	+2.25	—
August	147.00-52.0	+1.50	—

Sales: 35 (13) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE—Raw sugar £228.00 (£225.00) a tonne cif July-Aug-Sept shipments. White sugar daily price £245.00 (£241.00).

Opening prices were higher reflecting the previous increase in the U.S. market. There was a lack of buying interest at the higher levels and prices eased. After New York opened sharply lower all the gains were erased, reports C. Czarnikow.

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No. 4 Contract	Yest'rdy's Close	Previous Close	Business Done
	£ per tonne		
Aug.	223.00-23.50	223.80-24.00	226.50-23.00
Oct.	220.00-20.20	218.80-18.95	224.00-20.10
Jan.	217.55-17.70	217.50-17.75	217.70
March	219.05-19.25	218.60-18.75	223.50-19.00
May	219.50-19.70	218.75-19.00	222.50-19.25
Aug	220.60-20.75	219.00-19.50	220.50
Oct.	221.25-21.45	218.25-20.00	223.75-23.25

Sales: 5,886 (6,785) lots of 50 tonnes.

Tate and Lyle delivery price for granulated basis white sugar was £360.4 (same) a tonne for home trade and £338.0 (£334.5) for export.

International Sugar Agreement (U.S. cents per pound) fob and stowed Caribbean ports. Prices for July 29: Daily price 16.88 (16.45); 15-day average 16.57 (16.45).

POTATOES

LONDON POTATO FUTURES—As a result of the PMB announcement of reduced plantings the market was extremely strong, reports Coley and Harper. Nov 95.50, +14.50, (high 110.00, low 85.00); Feb 119.00, +19.00, (high 125.00, low 105.00); April 130.00, +18.50, (high 130.00, low 120.00). Turnover: 1,018 (881) lots of 40 tonnes.

*

GRIMSBY FISH—Supply good, demand good. Prices at ship's side (unprocessed) per stone: Shelf cod £5.00-£6.20, codlings £1.80-£3.70. Large haddock £3.60-£4.20, medium £1.80-£3.30, small 1.20-£1.90. Large plaice £4.80-£6.00, medium £4.50-£5.70, best small £3.00-£4.00. Skinned dogfish (large) £7.00-£8.00, (medium) £6.00-£8.40. Lemon soles (large) £9.50, (medium) £8.50. Rockfish £3.00. Saithe £1.60-£2.70.

MEAT/VEGETABLES

SMITHFIELD—Pence per pound. Beef: Scotch killed sides 72.0 to 77.0; Eire hindquarters 82.0 to 85.0, forequarters 54.0-58.0. Veal: Dutch hinds and ends 118.0 to 127.0. Lamb: English small 58.0 to 64.0, medium 58.0 to 62.0, heavy 54.0 to 58.0. Imported frozen: New Zealand PL 55.0 to 56.0, PM 54.0 to 54.0. Pork: English, under 100 lb 44.0 to 51.0, 100-120 lb 45.0 to 50.0, 120-160 lb 39.0 to 48.0.

COVENT GARDEN—Prices for the bulk of produce, in sterling per package except where otherwise stated: Imported produce: Oranges—Outspan: Navels 48 5.10, 56 5.90, 72 5.95, 88 5.35, 112 4.90, 138 4.25, 150 4.40; Californian: 72/113 6.00-6.50. Lemons—Spanish: boxes 5.00-6.00, trays 25/50 1.80-2.40; Californian: 95/145 4.00-5.50; Outspan: 80/195 6.00-7.50; Italian: 100/120 6.00. Grapefruit—Outspan: 40 4.95, 48 4.90, 56 4.40, 64 4.10, 72 3.30; Jaffa: 20 kilos 40 2.50-3.00, spring crop 3.80-4.00. Apples—S African: Granny Smith 4.80-5.20, Golden Delicious 5.80-6.00, Starking 5.00-6.00; Chilean: Granny Smith 3.40-3.60, Starking 4.40-5.00; Italian: Starking 3.80-4.00; New Zealand: Granny Smith 5.30-5.80, Sturmer Pippin 5.00-5.50, Dougherty 7.50-7.80; Tasmanian: Granny Smith 4.50-4.80, Sturmer Pippin 4.50, Democrat 6.00, Crofton 6.00; U.S.: Red Delicious 11.50-12.50; French: Golden Delicious 40 lb 125/175 3.00-3.60; Spanish: New Crop, Golden Delicious 20 lb 3.00. Pears—Victorian: Winter Nelis 4.00-4.60, Packham's 5.00-5.50, Josephine 5.00-5.50; Spanish: Per 20 lb William's 3.00; French: Dr Guyot 28 lb 3.00, loose 20 lb Tray pack 3.00. Nectarines—Italian: large trays A/C 3.00-4.00. Plums—Spanish: Rosas 3/8 2.00-3.80, per lb Burbank 0.20-0.30. Greengages—French: 9 kilos 3.00; Spanish: 11 lb 3.00-3.50. Apricots—Hungarian: 13 lb 2.80. Cherries—U.S.: per lb 0.85-0.90. Grapes—Cypriot: Cardinal 11 lb 3.30, Sultana: 3.00-3.30, Thompson 5.50; Italian: Regina 2.50-2.60. Melons—Spanish: 10 kilos yellow 2.20-2.60. Watermelons—Spanish: 15 kilos 2.00-3.00; Italian: 25 kilos 3.50-4.00. Peaches—Italian: large trays A/C 1.50-2.40; French: A/C 1.00-2.00; Greek: 1.20-1.60. Pineapples—Ivory Coast: each 0.40-0.90. Bananas—Colombian: per lb 0.18-0.19. Avocados—S African: 12/16 3.80-4.00; Kenyan: 4.60-5.00. Tomatoes—Dutch: 13 lb 2.00-2.20. Onions—Spanish: Lrls 3/5 3.80-4.20; Egyptian: 3.00. Potatoes—Jersey: new, per 55 lb 2.60-3.00; Cypriot: 44-lb bags 5.00-5.10. Capsicums—Dutch: 5 kilos, green 3.30, red 5.80-6.00; Italian: 6 kilos, green 3.00. Aubergines—Dutch: 5 lb 3.60. Cabbages—Dutch: white 9.00, red 5.00. Fennel—Dutch: per 11 lb 3.40. Artichokes—French: Globe 24s 4.50-5.00. Endive—French: 12s 6.50-7.50. Blueberries—U.S.: per ½ lb 1.00.

English produce: Potatoes—Per 55 lb white 2.60-3.00, red 3.00-3.30. Mushrooms—Per lb, open 0.30-0.50, closed 0.60. Apples—Per pound, Bramley 0.14-0.18, Grenadier 0.12. Cauliflowers—Per 12, Lincoln 1.50-2.00. Cabbages—Per bag, spring 22 lb 1.00, Prima 20 lb 1.50. Lettuce—Per 12, round 1.00-1.60, Cos 10/12 2.00. Tomatoes—Per 12 lb. D 1.80-2.00, E 1.60-1.80. Radishes—Per pack of 12 x 8 oz 1.50, bunches of 15 1.50. Onions—Per tray x 20 bunches, spring 2.00, 56 lb 40/60mm 2.50-3.50. Celery—Per 12/24 1.30-1.80. Cucumbers—Per 10/20 1.50-1.80. Broad Beans—Per 24 lb, 0.05-0.10. Peas—Per 20 lb, net, 2.00-2.40, per 40 lb 4.00-4.80. Carrots—Per 28/28 lb 1.50-2.50. Strawberries—Per ½ lb 0.40-0.60. Raspberries—Per ½ lb 0.15-0.30.

PRICE CHANGES

In tonnes unless otherwise stated.

	July 30 1981	+ or —	Month ago
Metals			
Aluminium	£810/815	......	£810/815
Free Mkt	$1250/1280	+30	$1145/175
Copper			
Cash w'bar	£960	+38	£867.25
3 mths	£988.25	+38.5	£891.25
Cash Cathode	£955	+36	£850.50
3 mths	£978	+37.75	£882.25
Gold troy oz	$408	+0.5	$414.5
Lead Cash	£466	+10.5	£378.25
3 mths	£467.75	+11.5	£380.50
Nickel	£3,850.58	......	£3,850.58
Freemkt	275/295c	......	275/295c
Platin'mtr'y oz	£247.0	......	£247
Freemkt	£217.25	+2.20	£217.55
Quicksilver†	$428/438	—2	$425/420
Silver troy oz	455.45p	+6.55	438.50p
3 mths	470.55p	+6.10	454.50p
Tin Cash	£7,925	+195	£6,627.5
3 mths	£7,775	+122.5	£6,732.5
Tungsten22.04lb	$144.40	......	$145.09
Wolfrm 22.04 lb	$148/150	—2.5	$148/150
Zinc Cash	£482.50	+4	£440
3 mths	£493.25	+5	£442.75
Producers	$925	......	$925
Oils			
Coconut (Phil)	$580w	—20	$562.5
Groundnut	‡	......	‡
Linseed Crude	£452	......	£452
Palm Malayan	$565x	—15	‡
Seeds			
Copra Philip	$375	—5	$355
Soyabean (U.S.)	$302z	......	$291
Grains			
Barley Fut. Nov	£100.25	—0.35	£95.40
Maize	£130	......	‡
WheatFut. Nov	£106.95	—0.85	£100.16
No2 HardWint	$117.60z	—0.8	£118.00
Other commodities			
Cocoa ship't*	£1179	—1	£1010
Future Sept	£1133.5	—1	£949.5
CoffeeFt' Sept	£1098.5	—45	£765
Cotton A.index	86.25c	......	86.60c
Gas oil Aug	$298	+2	$285.5
Rubber (kilo)	64.25p	+1.5	59p
Sugar (Raw)	£228wx	+3	£201.5
Woolt'ps 64s kl	389p kilo	+1	374p kilo

‡ Unquoted. y Aug-Sept. w July-Aug. z Aug. x Sept. † Per 76-lb flask. * Ghana cocoa. n Nominal.

AMERICAN MARKETS

NEW YORK, July 30.

PRECIOUS METALS and copper were under pressure on trade and commission house selling. Coffee prices collapsed on heavy Ivory Coast sales in the London market. Cocoa prices surged on short covering based on the provisional EEC agreement to the ICA. Heating oil prices rose moderately on technical buying. Cotton opened strong but prices gradually eroded to a mixed trade before the close, reported Heinold.

Copper—Aug 80.80 (81.40), Sept 82.00-82.15 (82.75), Oct 83.40, Dec 85.85-86.00, Jan 87.15, March 89.00-89.10, May 91.40, July 93.70, Sept 95.70, Dec 98.90, Jan 100.00, March 102.15, May 104.30.

*Gold—Aug 403.5-405.5 (403.5), Sept 409.3 (408.6), Oct 413.2-415.5, Dec 423.5-425.4, Feb 434.0, April 445.4, June 456.0, Aug 466.6, Oct 477.5, Dec 488.7, Feb 500.0, April 511.3, June 522.6.

Potatoes (round whites)—Nov 74.7 (75.0), Feb 85.6-87.5 (86.5), March 90.5-91.1, April 105.6-105.8. Sales: 758.

*Platinum—Aug 397.6 (398.2), Sept Nil (Nil), Oct 406.0-408.0, Jan 422.4, April 437.9, July 453.9, Oct 470.4. Sales: 1,174.

¶Silver—Aug 847.5 (758.6), Sept 859.0-862.0 (871.0), Oct 873.0, Dec 900.0-901.0, Jan 911.5, March 936.0, May 960.5, July 985.0, Sept 100.95, Dec 1046.5, Jan 1058.7, March 1083.2, May 1107.7. Handy and Harman bullion spot: 850.50 (858.00).

Sugar—No. 11: Sept 16.61-16.65 (17.12), Oct 16.69-16.70 (17.07), Jan 16.65-16.70, March 16.85-16.90, May 17.00-17.01, July 17.15, Sept 17.30-17.32, Oct 17.40. Sales: 7,050.

Tin—660.00-667.00 (637.00-662.00).

CHICAGO, July 30.

Lard—Chicago loose 22.25.

Live Cattle—Aug 66.10-66.15 (66.45), Oct 64.45-64.50 (64.32), Dec 65.20-65.10, Feb 65.40-65.30, April 66.10, June 66.95, Aug 66.90.

Live Hogs—Aug 48.85-49.66 (49.80), Oct 47.90-47.95 (48.42), Dec 50.90-51.00, Feb 52.85-52.80, April 51.30, June 54.65, July 55.15, Aug 53.90, Oct 52.50.

‡‡Maize—Sept 335¼-335½ (336¼), Dec 342-342½ (346¼), March 356¾-356½, May 367¼-367½, July 374½-374¾, Sept 380.

Pork Bellies—Aug 45.47-45.47 (47.67), Feb 62.25-62.10 (63.30), March 62.55, May 63.15, July 64.55, Aug 64.15.

†Soyabeans—Aug 725-726 (727½), Sept 720-729 (736¼), Nov 749-747½, Jan 766½-767, March 788-789, May 805, July 820½, Aug 823½.

‖Soyabean Meal—Aug 207.0-206.7 (205.6), Sept 207.0-207.5 (207.3), Oct 209.5, Dec 214.7-215.5, Jan 219.0-218.5, March 226.5, May 230.0-230.5, July 233.5, Aug 234.8-234.9.

Soyabean Oil—Aug 22.30-22.28 (22.85), Sept 22.90-22.85 (23.43), Oct 23.35, Dec 24.10-24.00, Jan 24.40, March 25.15-25.07, May 25.60, July 26.15, Aug 26.15.

†Wheat—Sept 406¼-407 (410½), Dec 436-436½ (440½), March 461¾-461½, May 475, July 482, Sept 494.

WINNIPEG, July 30.

§Barley—July 154.50 (154.00), Oct 139.90 (135.90), Dec 134.80, March 138.20, May 141.30.

§Wheat—SCWRS 13.5 per cent protein content cif St. Lawrence 249.57 (252.27).

All cents per pound ex-warehouse unless otherwise stated. * $ per troy ounce. ¶ Cents per troy ounce. ‡‡ Cents per 56-lb bushel. ‡ Cents per 60-lb bushel. ‖ $ per short ton (2,000 lbs). § $Can. per metric ton. §§ $ per 1,000 sq feet. ‡ Cents per dozen. †† $ per metric ton.

Wednesday's closing prices

NEW YORK, July 29.

††Cocoa—Sept 1959 (2007), Dec 2060 (2097), March 2135, May 2163, July 2188, Sept 2213, Dec 2243. Sales: 2,187 lots.

Coffee—"C" Contract: Sept 126.49-127.00 (129.71), Dec 123.00-123.90 (123.69), March 123.50-124.00, May 124.25-124.50, July 125.00, Sept 125.75, Dec 125.00 bid. Sales: 2,840.

Cotton—No. 2: Aug 77.00 (77.50), Oct 74.91-75.00 (75.60), Dec 75.60-75.60, March 77.55-77.60, May 79.53, July 81.16-81.30, Oct 80.00-80.20, Dec 79.80-80.00. Sales: 5,500 lots.

Heating oil (cents per U.S. gallon)—Aug 0.9265 (0.9340), Sept 0.9511 (0.9487), Oct 0.9661, Nov 0.9845, Dec 1.0021, Jan 1.0190, Feb 1.0335, March 1.0425, April 1.0479, May 1.0620, June 1.0630, July 1.0700, Aug 1.0725, Sept 1.0825, Oct 1.0945. Total volume: 2,782.

Orange Juice—Sept 133.40-133.50 (135.00), Nov 135.60 (137.50), Jan 139.50, March 141.35-141.70, May 143.00-143.50, July 144.50-145.00, Sept 146.00-146.50, Nov 147.50-148.00. Spot 128.00-132.05. Sales: 1,500.

EUROPEAN MARKETS

PARIS, July 30.

Sugar—(FFr per tonne): Oct 2455/2458, Nov 2445/2465, Dec 2400/2405, Mar 2460/2465, May 2490/2505, July 2500/2540, Aug 2520/2580, Oct 2540/2610. Sales at call: 16.

Cocoa—(FFr per 100 kilos): July unquoted, Sept 1205/1225, Dec 1265/1279, Mar 1295/1304, May 1305 bid, July 1315 bid, Sept 1325 bid. Sales at call: nil.

Soyabeans—(U.S. $ per tonne): U.S. Two Yellow Gulfports Aug 296.50, Sept 293.50, Oct 294.50, Nov 295.50, Dec 302, Jan 308, Feb 313.50, Mar 318.50, April 322.50, May 225 sellers.

Soyameal—(U.S. $ per tonne): 44 per cent protein U.S. afloat 248, Aug 246.50, Sept 248, Oct 251, Nov/Mar 265. Brazil Pellets afloat 252, Aug 252, Sept 255, Oct 260, Nov/Mar 276 sellers.

ROTTERDAM, July 30.

Wheat—(U.S. $ per tonne): U.S. Two Dark Hard Winter 13.5 per cent Aug 200, Sept 203, Oct 208. U.S. No Two Red Winter Aug 162.50, Sept 165. U.S. No Three Amber Durum Aug 185, Sept 187, Oct 194, Nov 198. U.S. No Two Northern Spring 14 per cent Aug 192, Sept 192.50, Oct 197, Nov 202. Canadian Western Red Spring July/Aug 241.

Maize—(U.S. $ per tonne): U.S. No Three Corn Yellow afloat 151, July 150, Aug 148.25, Sept 150, Oct/Dec 154.75 sellers (154 bid), Jan/Mar 164.75 sellers.

INDICES

FINANCIAL TIMES

July 29	July 28	Month ago	Year ago
274.81	276.81	245.07	272.60

(Base: July 1, 1952=100).

MOODY'S

July 29	July 28	Month ago	Year ago
1067.0	1069.8	1057.4	1204.8

(December 31, 1931=100)

DOW JONES

Dow Jones	July 29	July 28	Month ago	Year ago
Spot	387.60	390.13	372.26	436.01
Fut'rs	396.58	398.57	373.35	442.84

(Average 1924-25-26=100)

REUTERS

July 30	July 28	M'nth ago	Year ago
1755.0	1726.5	1768.7	1706.8

(Base: September 18, 1931=100)

PUBLIC NOTICES

GLOUCESTERSHIRE COUNTY COUNCIL
£2,000,000 Bills issued 30.7.81 at 14⅛% to mature 29.10.81. Total applications were £11,000,000 and there are 8,500,000 Bills outstanding.

METROPOLITAN BOROUGH OF SANDWELL
£5,000,000 Bills issued 30th July 1981 at 14¼% due 29th October 1981. Total applications £141,500,000. Bills outstanding £11,250,000.

HAMPSHIRE COUNTY COUNCIL
£12,000,000 Bills issued 31.7.81 at 13⅝% to mature 2.9.81. Total applications were 38,000,000 and there are 12,000,000 Bills outstanding.

LONDON STOCK EXCHANGE

ICI's half-yearly figures please but fail to stimulate buying interest—Gilt-edged securities drift lower

Account Dealing Dates

Option

*First Dealings	Declara-tions	Last Dealings	Account Day
July 13	July 23	July 24	Aug 3
July 27	Aug 6	Aug 7	Aug 17
Aug 10	Aug 26	Aug 27	Sept 7

* "New-time" dealings may take place from 9.30 am two business days earlier.

Half-yearly trading results well above analysts' expectations from ICI, which touched 284p before closing 10 higher at 278p, gave a boost to flagging sentiment in London stock markets yesterday, but failed to stimulate any worthwhile buying.

Trading resumed extremely quietly after the break for the Royal Wedding and, apart from a few isolated situation stocks, the session was uneventful. Reflecting the better tone following ICI's figures, the FT 30-share index turned a loss of 0.5 at 10.00 am into a gain of 2.5 at 1.00 pm; this proved to be the day's highest, however, and the index subsequently drifted lower to close with a net rise of only 0.6 at 525.9. Glaxo recorded a useful gain in sympathy with ICI, but rises in the other leaders were usually limited to a couple of pence and were more or less countered by net falls of a similar amount.

Of the few noteworthy movements in secondary issues, Ofrex advanced 20 to 158p following the counter-offer, worth 160p per share, from Gallaher, while, against a suspension price of 32p, dealings resumed in Harris and Sheldon at 53p on the cash bid worth 56p per share from Otis Elevator. Sedwick Group, in contrast, gave ground following termination of merger discussions with Alexander Services Inc.

British Funds continued on a downward path but, in common with equities, business was at a low ebb. Quotations drifted lower, reflecting the easier trend in sterling since Tuesday and the absence of any signs of a break in the high level of U.S. interest rates. Longer-dated stocks registered losses of ⅜ and sometimes more with Exchequer 12 per cent 1998, closing ½ down at 82⅞. The shorts ended with falls of ⅛ to ¼.

Traded options attracted 1,005 deals, well up on Tuesday's 614. Business was boosted by interim statements from ICI and Lonrho which recorded 338 and 99 calls respectively.

Arbuthnot Latham up

An unsettled market of late following the suspension of two directors, **Arbuthnot Latham** rose 12 to 287p, after 295p, in response to the chairman's encouraging statement at the AGM. Still reflecting disappointing interim figures, **NatWest** drifted down further to 392p before closing a net 5 off at 395p. The other major clearers continued dull in sympathy. **Midland**, first-half results today, ended 3 down at 325p, after 322p, while **Barclays** fell 8 to 430p; the latter's mid-term statement is due next Thursday.

Quietly dull conditions prevailed in Insurances. **Royals** shed 8 to 370p as did **Commercial Union**, to 178p; the latter's interim figures are due on August 11. **Sedgwick Group** dipped 5 to 134p on the announcement that merger discussions with Alexander Services Inc. had been terminated.

Business in Buildings was slow and the leaders closed little changed. Among secondary issues, demand in a thin market lifted **Vibroplant** 13 to 208p, but **J. Jarvis**, a rising market in front of the preliminary results, shed 4 to 224p on the profits standstill. **John Finlan**, still awaiting news of talks with an unnamed party, lost 4 to 158p, but occasional interest left **Watts Blake Bearne** 4 dearer at 196p.

Standing 4 better awaiting the interim results, **ICI** jumped to 284p on the announcement of profits above expectations before settling a net 10 up at 278p. In sympathy, **Fisons** improved 5 to 145p.

Stores idle

Interest in Stores was almost non-existent and movements in the leaders were restricted to a couple of pence either way. **Moss Bros.** remained firm on talk of buoyant business generated by the Royal Wedding and rose 5 for a two-day gain of 20 to 160p. Annual results from **Dixons Photographic** were deemed a shade disappointing and the shares, up to 165p in front of the announcement, closed only a penny dearer on balance at 161p.

Leading Electricals were inclined harder but the volume of business was small. **Philips' Lamps** stood out with a jump of 20 at 467p, while improvements of 2 and 3 respectively were recorded in **Thorn EMI**, 452p, and **Plessey**, 350p. Elsewhere, **AB Electronics** added 5 to 147p but **Cray Electronics**, awaiting today's annual results, cheapened 2 to 114p.

Sporadic offerings ahead of the interim results, due on August 12, left **Tubes** 4 easier at 134p. Elsewhere in Engineerings, **G. M. Firth**, in which Mr I. H. Wasserman recently acquired a substantial stake, rose 5 afresh to 140p. **Glynwed** hardened 2 to 86p ahead of next Wednesday's interim figures and **Brasway** improved 2 to 48p on the better-than-expected half-year statement. **Whessoe** gained 5 at 115p. **Amalgamated Power** shed 4 to 136p on the announcement that Northern Engineering had gained control of the company.

The Food sector provided several noteworthy movements. **Fitch Lovell** firmed 5 to 75p in response to the preliminary results, while **Needlers** added a like amount to a 1981 peak of 65p on Epicure's increased stake in the company to 7.57 per cent. **R. Paterson** touched 75p before closing 4 dearer at 74p on the scrip issue proposal. **Associated Fisheries** gained 3 to a 1981 peak of 70p as speculative interest revived. **Unigate**, however, closed 2 cheaper at 98p and **Avana** eased 3 to 292p.

Reports of increased income from tourism stemming from the Royal Wedding encouraged demand for **Trusthouse Forte**, which rose 3 to 139p, and **Grand Metropolitan**, a couple of pence harder at 205p.

Kennedy Brookes, previously traded under Special Rule, made a transition to the Unlisted Securities Market, opening at 117p and closing at 118p compared with the suspension price of 110p.

Harris & Sheldon rise

Further consideration of the good first-quarter profits helped **Reed International** rise 11 more for a two-day advance of 31 at 266p. Other miscellaneous industrial leaders failed to be enthused by ICI's impressive second-quarter results and closed quietly mixed although **Glaxo** were notable for a sympathetic improvement of 6 at 380p, after 384p. Dealings in **Harris and Sheldon** were resumed at 53p, compared with the suspension price of 32p, following the announcement of an agreed bid of 56p cash from Otis Elevator and Eastlake Limited. **Ofrex** jumped 20 to 158p on Gallaher's counterbid worth 160p per share cash, while **Johnson Matthey** rose 13 to 268p following the chairman's statement at the AGM. A resurgence of speculative buying on bid hopes helped **Howard Tenens** add 5 at 73p, while **Granada A** rose 4 to 239p on consideration of the group's video interests. Renewed demand in a thin market left **Charles Hill of Bristol** up 5 more at 150p, while **Unochrome** put on 2¼ at 16½p. Against the trend, **Broken Hill Proprietary** fell 35 to 810p on rights-issue fears. **Aeronautical and General** shed 25 more to 340p on further consideration of the chairman's profits warning.

Among Motor Distributors, **Lex Service** hardened to 109p in immediate response to the mid-term statement but fell back in later trading to end 2 lower on balance at 105p.

A subdued Printing sector was featured by **International Thomson** which continued to draw strength from a broker's bullish circular and rose 16 for a two-day gain of 28 at 262p.

Oils quiet

Oils passed an uninteresting session, but early modest falls were sometimes replaced by net gains at the close. **Shell** finished 6 dearer at 394p, but **British Petroleum** settled a couple of pence cheaper on balance at 320p, after 318p. **Atlantic Resources**, a good market on Tuesday helped by favourable Press comment, added 5 more to 320p. Elsewhere, **Sceptre Resources** were marked down 125 to 540p following the reaction in Canada overnight; the shares were looking to go better following the announcement of a natural gas discovery in Scott County, Virginia.

Lonrho's first-half profits were a shade below general expectations and the shares, a penny firmer in front of the announcement, ended 2 down on balance at 92p.

Stirling Knitting remained a firm market in the wake of Monday's annual figures and capital proposals and aded 4 more to 92p. **Yorklyde** encountered profit-taking and shed 5 to 260p, while **Nottingham Manufacturing** eased 3 to 147p for a similar reason.

Late rise in RTZ

A firmer tone was evident among Tobaccos, **Bats** rising 4 to 375p and **Imps** gaining the turn to 59p.

Killinghall Rubber held at 625p after Tuesday's drop of 100 which followed news that the Selangor State Government is considering the purchase of the majority of the company's acreage in Petaling. Other Plantations closed higher. **Highlands and Lowlands** added 5 to 66p following the sale of a subsidiary, while **Kuala Lumpur Kepong** rose 4 to 56p.

The outstanding performance in an otherwise subdued mining market came from **Rio Tinto-Zinc**, which, after holding steady throughout the morning, surged ahead in after hours' trading to close 13 higher at 558p, after 565p, reflecting renewed strength in base-metal prices and bid rumours; overseas buying of RTZ bearer shares lifted the latter to a 3p premium over the registered stock.

South African Golds, however, remained in the doldrums as the bullion price dipped below the $400 an ounce level prior to closing a net $0.50 up at $403.

The sharemarket followed a similar pattern, but losses at the close remained sufficient to lower the Gold Mines index a further 2.3 to 314.4.

In the heavyweights, **President Steyn** were notably weak with a fall of ⅞ to £14⅝, while losses of ½ were common to **Vaal Reefs** and **St. Helena** at £32½ and £16½ respectively.

The BHP rights issue rumours and the recent disappointing Canning Basin oil drilling results continued to overshadow Australians which retreated in line with overnight Sydney and Melbourne markets.

Even the sharp gains in metal prices failed to prevent widespread losses among leading base-metal producers. **North Broken Hill**, for instance, gave up 6 more to 176p, **Western Mining** 5 to 288p and **CRA** 4 to 246p.

The Canning Basin oil explorers showed **Eagle Corporation** 5 off at 50p and **Swan Resources** 4 down at 84p.

In the speculatives, 1981 lows were registered in **Cultus Pacific**, 26p, **Jimberlana**, 39p, and **Pelsart Resources**, 24p. Elsewhere in Tins, **Pahang Consolidated**, a weak market on Monday and Tuesday, rallied 8 to 48p following the results.

FINANCIAL TIMES STOCK INDICES

	July 30	July 28	July 27	July 24	July 23	July 22	A year ago
Government Secs.	64.21	64.45	64.86	64.16	64.00	63.81	70.78
Fixed Interest	66.31	66.33	66.37	65.93	65.80	65.63	72.81
Industrial Ord.	525.9	525.3	528.5	520.2	516.6	517.0	490.5
Gold Mines	314.4	316.7	319.5	322.3	327.6	325.3	362.8
Ord. Div. Yield	6.00	6.01	5.99	6.08	6.09	6.11	7.41
Earnings, Yld. %(full)	11.50	11.53	11.48	11.66	11.67	11.71	17.76
P/E Ratio (net) (*)	10.90	10.88	10.93	10.76	10.75	10.71	6.79
Total bargains	14,030	17,141	17,457	17,144	19,002	18,165	19,916
Equity turnover £m.	—	85.83	101.37	101.27	188.74	194.13	101.50
Equity bargains	—	18,671	12,754	12,063	14,538	12,483	15,842

10 am 524.8. 11 am 525.8. Noon 525.8. 1 pm 527.8. 2 pm 527.3. 3 pm 527.3.

Latest Index 01-246 8026.

*Nil=10.05.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. SE Activity 1974.

HIGHS AND LOWS

	1981		Since Compilat'n	
	High	Low	High	Low
Govt. Secs.	70.61 (28/5)	63.12 (21/7)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	72.01 (20/5)	65.36 (21/7)	150.4 (28/11/47)	50.53 (3/1/75)
Ind.Ord.	597.3 (30/4)	446.0 (14/1)	597.3 (30/4/81)	49.4 (26/6/40)
Gold Mines	421.1 (8/1)	262.6 (28/6)	558.9 (22/9/80)	43.5 (26/10/71)

S.E. ACTIVITY

	July 28	July 27
—Daily		
Gilt Edged Bargains	151.5	178.9
Equities		
Bargains	82.1	82.6
Value	175.5	204.9
5-day Avrge.		
Gilt-Edged Bargains	165.7	168.1
Equities		
Bargains	83.7	83.6
Value	271.4	255.4

NEW HIGHS AND LOWS FOR 1981

The following quotations in the Share Information Service yesterday attained new Highs and Lows for 1981.

NEW HIGHS (28)

AMERICANS (2)
Bendix Corpn. Conoco
BUILDINGS (1)
Jarvis (J.)
CHEMICALS (1)
Plysu
STORES (1)
Brown (N.)
ELECTRICALS (2)
AB Electronic Telephone Rentals
ENGINEERING (3)
Brasway Whessoe
Firth (G. M.)
FOODS (2)
Assod. Fisheries Needlers
INDUSTRIALS (8)
AGB Research Howard Tenens
Baxter Travenol Ofrex
Harris and Sheldon RFD Group
Hill (Chas.) Sidlaw Inds.
INSURANCE (2)
London Manchester London Utd.
LEISURE (1)
Photax (London)
NEWSPAPERS (1)
Assod. Book Publishers
TEXTILES (2)
Carpets Intnl. Stirling Knitting
TRUSTS (1)
New Tokyo
MINES (1)
Paringa Mining and Expl.
MOTORS (2)
Arlington Motor Kenning Motor
PROPERTY (1)
Clarke Nickolls
SOUTH AFRICANS (1)
Gold Fields Prop.
TRUSTS (3)
Archimedes Inc. Energy Fin. 8pcCnv.
GT Global Rec.
OILS (1)
Texaco 4¼pcConv.
OVERSEAS TRADERS (2)
Borthwick (T.) Paterson Zch. A N/V
RUBBERS (1)
Castlefield
MINES (5)
Cultus Pacific Pacific Copper
Jimberlana Pelsart Res.
Minefields Expl.

NEW LOWS (23)

BRITISH FUNDS (1)
Treas. 8¼pc 1997
ENGINEERING (2)
Brit. Aluminium Elliott (B.)
INDUSTRIALS (4)
Brit. Cine Theatres Duple Intnl.
Christies Intnl. Spear (J. W.)

RISES AND FALLS YESTERDAY

	Rises	Falls	Same
British Funds	—	79	14
Comps., Dom. and Foreign Bonds	3	13	53
Industrials	171	168	1,032
Financial & Props.	49	95	357
Oils	14	38	43
Plantations	8	2	13
Mines	34	54	78
Others	46	65	91
Totals	325	514	1,681

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday

Stock	Closing price pence	Day's change	Stock	Closing price pence	Day's change
B. H. Property	810	−35	Lex Service	105	− 2
Fitch Lovell	75	+ 5	NatWest Bank	395	− 5
Glaxo	380	+ 6	Ofrex	158	+20
ICI	278	+10	Reed International	266	+11
Intnl. Thompson	262	+16	RTZ	558	+13
Johnson Matthey	268	+13	Trusthouse Forte	139	+ 3

TUESDAY'S ACTIVE STOCKS

Based on bargains recorded in the SE Official List

Stock	No. of price changes	Tuesday's closing price pence	Day's change	Stock	No. of price changes	Tuesday's closing price pence	Day's change
NatWest Bk.	20	400	−22	Plessey	11	347	− 3
GEC	13	738	—	ICI	10	268	—
Bula Resources	12	47	+ 1	LASMO	10	586	− 4
Ofrex	12	138	− 2	RTZ	10	545	+ 7
Barclays Bank	11	438	−12	Shell Trans.	10	388	—
Burmah Oil	11	133	− 2	BP	9	322	+ 2
Midland Bank	11	328	− 7	Thorn EMI	9	450	− 2

OPTIONS

First Deal-ings	Last Deal-ings	Last Declara-tion	For Settle-ment
July 20	July 31	Oct. 22	Nov. 2
Aug. 3	Aug. 14	Nov. 5	Nov. 16
Aug. 17	Aug. 28	Nov. 19	Nov. 30

For rate indications see end of Share Information Service

Money was given for the call in Dufay Bitumastic, Distillers, ICL, Clyde Petroleum, Celtic Haven, Pan Pacific Petroleum, Woodside and Bula. No puts were reported. Doubles were arranged in ICI and BP new.

RECENT ISSUES

EQUITIES

Issue Price p‡	Amount paid up	Latest Renunc. date	1981 High	1981 Low	Stock	Closing price p‡	+ or −	Div. p. or amount	Times covered	Gross yield	P.E. ratio
153	F.P.	—	172	155	✠Aerospace Eng.	153	−2	bd7.6	1.4	7.0	14.2
§35	F.P.	22/7	37	28	Allied Residential 10p	29	.....	b2.45	2.0	12.1	6.0
—	F.P.	—	140	130	Bonusbond	130	−3	—	—	—	—
‡r£0.60	F.P.	19/6	47	26	✠Bula Resources	44	−3	—	—	—	—
75	F.P.	17/7	91	79	Cambridge Elec.	86	+1	b3.7	2.2	6.1	8.7
—	F.P.	—	14	10	Comtech 10p	12	.....	—	—	—	—
64	F.P.	—	62	62	East of Scotland Onsh	62	.....	5.0	—	11.5	—
‖	F.P.	—	25	18½	††Energy Sources	20	.....	—	—	—	—
—	F.P.	—	7	6	††Explaura Gold	6½	.....	—	—	—	—
20	12½p	—	13½	12½	F＋C Enterprise Tst 10p	13	.....	—	—	—	—
140	F.P.	—	138	130	Hamilton Oil G.B.	137	−1	u1.0	16.4	1.0	7.4
—	F.P.	—	7	6	Hartons 5p	7		—	—	—	—
§10	F.P.	—	22	17	✠ICC Oil services	20	.....	—	—	—	30.6
72	F.P.	26/8	70	58	✠Jackson Explorat'n	70	.....	Q1.5c	—	1.1	—
95	F.P.	7/8	85	68	KCA Drilling	75	−1	b3.75	1.7	7.1	9.7
140	F.P.	7/8	220	194	Memec 10p	212	.....	b30	2.3	2.0	30.5
512	F.P.	—	640	480	Mexico Fund	495	+10	—	—	—	—
§51	F.P.	20/7	69	61	✠Microfilm Repro	62	.....	b2.5	1.4	5.8	17.9
100	F.P.	24/7	107	97	Murray Technology	97½	.....	—	—	—	—
‖	F.P.	—	125	125	✠Newcourt Oil	125	.....	—	—	—	—
‡44	F.P.	30/6	58	37	✠Selectv	37	−3	—	—	—	—
§83	F.P.	17/7	90	70	✠Stanelco	76	.....	—	—	—	23.3
§155	F.P.	3/8	205	190	✠Star Computer	200	.....	2.0	4.3	1.4	20.8
66	F.P.	—	76	75	✠Thorpac	76	.....	b1.82	3.7	3.4	10.0
§90	F.P.	31/7	100	92	✠Trident Comp.Serv.	100	.....	bd1.5	4.0	2.1	16.8
§80	F.P.	14/7	91	85	✠United CeramicDist	89	+3	b4.2	1.9	6.7	10.2
100	F.P.	15/7	104	95	Utd. Comp. & Techgy	97½	+1½	—	—	—	—
§88	F.P.	31/7	98	89	✠Zygal Dynamics	97	+2	u0.75	6.3	1.1	16.2

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1981 High	1981 Low	Stock	Closing price £	+ or −
—	F.P.	6/7	110	103	Aitken Hume 10% Cnv. Uns. Ln. 1990/91	103	.....
100‖	Nil	—	15pm	1pm	Chloride 7½% Conv. Prf.	1pm	−½
¶	£10	—	10	9⅞	East Surrey Water 10% Prf. 1986	10	.....
98½	£25	12/11	25¾	24½	Inco 15¼% Uns. Ln. 2006	25¼	.....
100‖	F.P.	—	24pm	10½pm	Jones (Edward) 15% Cnv. Uns. Ln. '96-98	24pm	.....
¶97	£10	3/9	110	95	Mid-Kent Water 9% Red. Prf. 1987	95	.....
¶100	F.P.	28/8	98½	96	Mid-Southern Wat. 9% Red. Pref. '86	96	.....
‖	F.P.	17/7	104¼	97	Mount Charlotte 9½% Cnv. Ln. 1995-2000	97	.....
99	F.P.	27/8	99	90½	Newcastle Water 7¾% Red. Pref. 1986	90½	.....
100‖	F.P.	23/7	179	101	Prop. Hldg. & Inv. Tst. 8¼% Cnv. Ln.	101½	.....
¶¶	F.P.	—	91p	90p	Sterling Credit 3.5% Cnv. Red. Pref.	91p	.....
¶98	F.P.	28/8	92½	79½	Sunderland & S. S. Water 8% Red. Prf. '87	90½	.....
100p‖	Nil	—	½pm	½pm	'W' Ribbons 10% Cum. Red. Prf. '95-96	½pm	.....

"RIGHTS" OFFERS

Issue price p‡	Am'unt paid up	Latest Renunc. date ●	Latest Renunc. date ■	1981 High	1981 Low	Stock	Closing price p‡	+ or −
190	F.P.	6/7	4/9	268	222	AGB	268	+1
22	Nil	31/7	11/9	24	22½	A.I.D.	22½	.....
45	F.P.	23/7	28/8	54	49	Brengreen	53	.....
275	125p	13/7	2/12	171	130	B.P.	162	−8
165	F.P.	3/7	7/8	191	177	Crouch (D)	177	−1
18	F.P.	—	—	21½	20	Edinburgh Gen. Ins.	20	−1
375	F.P.	10/7	73/8	410½	397	English Association	398	+1
30	F.P.	6/7	7/8	87	76	Euro Ferries	83	−1
176	Nil	—	—	35pm	24½pm	Extol	35pm	.....
55	F.P.	12/6	11/8	68	63½	Fine Art	64	−1
265	F.P.	15/7	10/8	380	339	Flight Refuelling	375	.....
240	Nil	—	—	165pm	140pm	††Gaelic Oil	165pm	+5
90	F.P.	10/7	21/8	132	121½	Geers Gross	126	.....
5	Nil	—	—	2½pm	1pm	Hartons	2½pm	.....
HK$12	HK$6	—	—	109	66	Hong Kong & Shanghai Bk.	102	+6
315	F.P.	25/6	7/8	322	322	Lyle Shipping	322	.....
77	Nil	—	—	15pm	6pm	Moss Engineering	6pm	.....
50	F.P.	9/7	12/8	73	65	Old Swan Hotel (H'gate)	65	.....
6	P.P.	6/6	21/9	11½	6½	Sterling Credit	8½	.....

Renunciation date usually last day for dealing free of stamp duty. *b* Figures based on prospectus estimate. *g* Assumed dividend and yield. *u* Forecast dividend: cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimate for 1981. Q Gross. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price. *p* Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation, merger or takeover. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants. †† Dealings under special Rule. ✠ Unlisted Securities Market. ‡‡ London Listing. ‡ Effective issue price after

FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS Figures in parentheses show number of stocks per section	Thurs., July 30 1981 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Tues. July 28 Index No.	Mon. July 27 Index No.	Fri. July 24 Index No.	Thurs. July 23 Index No.	Year ago (approx.) Index No.
1	CAPITAL GOODS (214)	348.48	+0.2	10.37	4.48	11.92	347.91	347.67	344.60	343.33	282.19
2	Building Materials (25)	301.41	+0.2	12.41	5.65	9.90	300.67	299.68	295.53	293.13	266.33
3	Contracting, Construction (28)	553.91	+0.1	17.14	5.13	6.78	553.12	552.17	549.66	547.88	421.39
4	Electricals (30)	1155.41	+0.1	7.93	2.38	15.40	1154.31	1156.17	1146.68	1143.63	803.70
5	Engineering Contractors (10)	490.57	−0.4	12.74	5.56	9.38	492.56	492.37	490.26	485.88	336.50
6	Mechanical Engineering (69)	201.75	—	12.94	5.91	9.78	201.69	201.79	200.80	199.34	183.10
8	Metals and Metal Forming (13)	154.02	+2.0	10.32	7.71	12.70	150.98	150.72	148.08	147.12	172.16
9	Motors (21)	97.21	−0.3	2.25	7.18	—	97.47	97.41	96.05	96.18	104.77
10	Other Industrial Materials (18)	370.77	—	9.84	5.41	12.18	370.77	368.35	364.73	366.36	0.00
21	CONSUMER GROUP (195)	276.59	+0.4	12.46	5.79	9.91	275.60	276.65	272.87	272.27	237.88
22	Brewers and Distillers (20)	302.75	+0.8	14.71	6.37	8.15	300.28	303.38	297.21	297.83	284.95
25	Food Manufacturing (21)	255.43	−0.3	15.10	6.52	7.98	256.18	255.80	253.61	253.72	214.25
26	Food Retailing (14)	530.44	+0.7	9.27	3.35	12.85	526.95	529.03	521.72	517.35	352.01
27	Health and Household Products (7)	334.97	+0.8	8.22	4.38	14.49	332.34	334.02	326.25	326.87	227.66
29	Leisure (22)	443.06	+0.7	9.72	4.74	12.71	439.92	442.19	433.62	434.22	334.71
32	Newspapers, Publishing (12)	485.32	−0.3	12.83	6.17	11.09	486.95	487.22	483.64	486.78	442.53
33	Packaging and Paper (13)	145.58	+0.8	14.43	7.27	8.24	144.40	141.05	139.57	139.30	134.04
34	Stores (44)	253.02	−0.1	11.52	5.27	11.56	253.18	255.09	252.92	252.94	233.21
35	Textiles (23)	158.98	−0.6	7.42	5.75	19.30	159.92	159.22	156.22	156.27	125.62
36	Tobaccos (3)	257.61	+1.2	19.72	9.69	5.94	254.65	255.53	253.53	245.46	224.36
39	Other Consumer (16)	290.89	+0.2	4.49	6.42	53.71	290.43	291.15	289.95	289.73	0.00
41	OTHER GROUPS (79)	227.33	+1.2	13.02	6.67	9.40	224.57	224.06	220.05	219.31	227.46
42	Chemicals (15)	282.67	+2.5	11.50	7.35	10.87	275.91	275.92	268.49	269.46	316.09
44	Office Equipment (6)	112.54	+0.7	14.68	7.30	8.21	111.76	110.69	108.92	108.58	106.97
45	Shipping and Transport (13)	548.65	−0.4	16.09	6.92	7.29	550.73	550.37	540.81	536.08	594.76
46	Miscellaneous (45)	297.41	+0.6	13.18	5.66	9.32	295.57	294.52	291.99	289.38	287.99
49	INDUSTRIAL GROUP (488)	294.25	+0.4	11.74	5.40	10.51	293.10	293.50	289.87	289.03	253.56
51	Oils (12)	752.22	+0.2	22.31	7.64	4.97	750.39	747.77	734.13	728.35	785.32
59	500 SHARE INDEX	331.26	+0.4	13.63	5.81	8.76	330.05	330.21	325.78	324.55	295.80
61	FINANCIAL GROUP (118)	264.00	−0.7	—	5.57	—	265.82	268.10	266.04	265.14	230.75
62	Banks (6)	270.57	−1.2	34.25	6.78	3.41	273.74	280.89	278.35	278.11	225.26
63	Discount Houses (10)	268.36	+0.4	—	8.40	—	267.22	265.90	262.30	265.79	298.25
64	Hire Purchase (3)	247.21	−0.6	12.39	7.35	11.17	248.69	238.86	238.86	237.93	244.97
65	Insurance (Life) (10)	268.55	—	—	5.63	—	268.51	269.45	267.45	266.18	229.49
66	Insurance (Composite) (9)	173.92	−1.6	—	7.33	—	176.74	176.27	174.72	174.13	155.76
67	Insurance Brokers (8)	396.48	−1.5	11.26	5.85	12.06	402.36	406.81	406.51	400.76	338.84
68	Merchant Banks (13)	168.79	+0.1	—	5.03	—	168.68	168.61	168.25	167.36	141.22
69	Property (49)	479.08	—	3.91	2.92	35.02	479.24	481.62	478.28	476.69	444.61
70	Miscellaneous (10)	180.65	—	17.96	5.80	6.77	180.66	181.09	181.52	180.99	140.53
71	Investment Trusts (109)	310.06	−0.3	—	5.12	—	310.91	308.70	305.12	304.70	259.70
81	Mining Finance (3)	259.54	+1.8	13.57	5.27	8.68	254.93	253.55	249.56	247.79	236.96
91	Overseas Traders (20)	426.15	+0.1	11.52	6.99	11.00	425.87	426.33	424.39	428.16	416.71
99	ALL-SHARE INDEX (750)	317.83	+0.2	—	5.73	—	317.31	317.74	313.89	312.84	282.29

FIXED INTEREST

	PRICE INDICES	Thurs. July 30	Day's change %	Tues. July 28	xd adj. today	xd adj. 1981 to date
	British Government					
1	5 years	106.73	−0.11	106.85	—	6.24
2	5-15 years	102.76	−0.38	103.15	—	7.89
3	Over 15 years	104.74	−0.40	105.16	—	8.20
4	Irredeemables	114.62	−0.48	115.16	—	7.43
5	All Stocks	104.42	−0.30	104.73	—	7.39
6	Debentures & Loans	81.31	−0.09	81.39	—	6.27
7	Preference	61.85	+0.91	61.30	—	3.94

	AVERAGE GROSS REDEMPTION YIELDS		Thurs. July 30	Tues. July 28	Year ago (approx.)
	British Government				
1	Low Coupons	5 years	12.63	12.57	11.67
2		15 years	13.29	13.23	11.62
3		25 years	13.50	13.45	11.62
4	Medium Coupons	5 years	14.81	14.72	13.06
5		15 years	15.25	15.16	12.94
6		25 years	14.80	14.74	12.84
7	High Coupons	5 years	14.77	14.69	13.19
8		15 years	15.44	15.36	13.30
9		25 years	15.05	14.99	13.09
10	Irredeemables†		12.97	12.90	11.13
11	Debs & Loans	5 years	15.80	15.81	13.51
12		15 years	15.98	15.96	13.44
13		25 years	16.02	15.98	13.37
14	Preference†		16.34	16.31	14.13

† Flat yield. Highs and lows record, base dates and values and constituent changes are published in Saturday issues. A list of the constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 26½p.

UNIT TRUST SERVICE

OFFSHORE & OVERSEAS—contd.

Clive Investments (Jersey) Ltd.
P.O. Box 86, St. Peter Port, Guernsey. 0481 26521
G. H. Gilt Growth Fd.* 9.34 9.75 — 3.59
Clive Gilt Fd. (C.I.) 8.22 8.58 — 15.38
*Prices on July 30. Next dealing Aug. 6.

Cornhill Ins. (Guernsey) Ltd.
P.O. Box 157, St. Peter Port, Guernsey
Intnl. Man. Fd. 252.0 274.0 — —

Cortexa International
10a, Boulevard Royal, Luxembourg.
Cortexa Intnl. US$18.72 — −0.22 —

Craigmount Fixed Int. Mngrs. (Jersey)
P.O. Box 195, St. Helier, Jersey. 0534 27561
Gilt Fund (Jsy.) 90.1 90.2 +1.7 14.97
Valued weekly Wednesday.

DWS Deutsche Ges. F. Wertpapiersp
Grueneburgweg 113, 6000 Frankfurt
Investa DM34.49 36.25 −0.05 —

Delta Group
P.O. Box 3012, Nassau, Bahamas
Delt. Inv. July 21 $4.40 4.62 — —
London Agents: Kleinwort Benson. Tel: 01-623 8000

Deutscher Investment-Trust
Postfach 2685 Biebergasse 6-10 6000 Frankfurt
Concentra DM18.20 18.66 +0.04 —
Int. Rentenfonds DM62.41 65.97 — —

Dreyfus Intercontinental Inv. Fd.
P.O. Box N3712, Nassau, Bahamas.
NAV July 21 US$34.22 36.40 +0.14 —

Duncan Lawrie Inv. Mgt. (Jersey)
15-17, New St., St. Helier, Jersey 0534 73637
DL Sterling 40.2 42.2 — 7.80
DL International $1.33 1.40 — 6.39

Emson & Dudley Tst. Mgt. Jrsy. Ltd.
P.O. Box 73, St. Helier, Jersey. [illegible]
E.D.I.C.T. 157.5 168.3 — —

The English Association
4 Fore Street, EC2. 01-588 7081
E. A. Income Fund* 63.7 67.8 +0.6 7.37
E. A. Sterling** 59.51 69.59 +0.20 —
E. A. Equity* 70.31 74.80 +1.66 1.67
Wardgate Com. Fd.** 17.33 18.09 — 2.77
*Next dealing Aug 5. **Next dealing July 31.

Eurobond Holdings N.V.
Pietermaai 15, Willemstad, Curacao.
London Agents: Intel 15 Christopher St., EC2
Tel: 01-377 1040. Telex 8814408.
Euro Hldgs. US$20.49 21.14 — 9.50

S.G. Europe Obligations S.A.
9, Avenue de la Liberte, Luxembourg
London Agent: PFS, Salisbury Hse, London Wall EC2M 5TA. Tel. 01-920 0776 Telex 887281
Europe-Obligations US$41.40 −0.24 1.98

F & C Mgmt. Ltd. Inv. Advisers
1, Laurence Pountney Hill, EC4. 01-623 4680
F&C Atlantic Fd. SA. US$11.75 — 1.30
F. & C. Oriental Fd. US$24.11 — 0.40
Prices July 22. Weekly dealings.

Fidelity International Ltd.
P.O. Box 670, Hamilton, Bermuda.
8, Queensway Hse., Queen St., St. Helier, Jersey, C.I. 0534 71696
American Assets US$40.32 −0.06 3.26
Am. Val. Com.Pf. [illegible] 3.00
American Vals. Com.* [illegible]
Dollar Savings Trust US$12.12 +0.05 17.46
Far East [illegible]
International US$42.37 — 0.54
Pacific US$114.02 — 0.23
World US$24.76 +0.01
Gilt Fund 22.0 22.2 — 14.88
*Prices at June 30.

First Viking Commodity Trusts
10-12 St. George's St., Douglas, IoM. 0624 25015
Fst. Vik. Cm. Tst. 27.6 29.1 — 5.60

Fleming Japan Fund S.A.
37, rue Notre-Dame, Luxembourg
Fleming July 28 US$72.64 — —

Frankfurt Trust Investment—GmbH
Wiesenau 1, D-6000 Frankfurt
FT-Interzins DM37.50 40.98 +0.01 —
Frankft. Effekt. Fd. DM58.21 61.27 −0.14 —

Free World Fund Ltd.
Butterfield Bldg., Hamilton, Bermuda.
NAV June 30 US$148.80 — —

G.T. Management Ltd.
Park Hse., 16 Finsbury Circus, London EC2
Tel: 01-628 8131. TLX: 886100
London Agents for:
Anchor 'B' Units US$1.81 1.86 +0.01 1.09
Anchor Gilt Edge £8.32 8.36 −0.05 15.16
Anchor Int. Fd. [illegible]
Anchor In. Jsy. Tst. [illegible]

Hill Samuel Investment Mgmt. Intnl.
P.O. Box 63, Jersey. 0534 27381
HS Channel Is. Fd. 148.2 158.6 — 3.25
H.S. Fxd.Int.Fd. 89.0 94.0 — 13.14
H.S. Intnl. Gth. Fnd. 116.2 123.6 —
Box 2622, Berne, Switzerland. Telex 33425.
H.S. Overseas Fd. US$23.97 24.93 −0.03 —
CSF Fd. (Acc.) SF18.86 19.25 −0.07 —
Crossbow Fd. SF7.29 7.42 −0.08 —
ITF Fd. (Acc.) US$13.66 13.92 −0.05 —

I.C. Trust Managers Ltd.
10, St. Georges St., Douglas, IoM 0624 25015
Int. Commodities Tst. 102.8 109.4 — —
Next dealing day August 5.

N.V. Interbeheer
P.O. Box 526, Delft, Holland
Esmeralda (OfferPce) DM72.36 — +0.42 2.49

International Bond Trust
2, Boulevard Royal, Luxembourg
NAV July 30 US$9.35 9.35 −0.04 —

International Pacific Inv. Mgmt. Ltd.
P.O. Box R237, 56, Pitt St., Sydney, Aust.
Javelin Equity Tst. A$3.94 4.06 — 4.83

Jardine Fleming & Co. Ltd.
46th Floor, Connaught Centre, Hong Kong
Jardine Jpn. Fd. Y2,866 — 0.50
Do. (Accum.) Y2,866 — —
J.F. Japan Small Co. [illegible] — —
J.F. Japan Technology Y11,277 —
Jardine Estn. Tst. HK$178.16 — 1.00
Do. (Accum.) HK$173.16
J. F. Pac. Secs. (Inc.) [illegible] — 0.50
Do. (Accum.) [illegible]
Jardine Flem. Int. [illegible] — 0.30
Do. (Accum.) [illegible]
J. F. S.E.A. US$2.13 — 1.00
Do. (Accum.) [illegible]
J.F. Phillipines [illegible] — 4.30
J.F. Car.&Bd.Fd.(Inc.) [illegible] — 7.40
Do. (Accum.) [illegible]
Japan & Pacific CoTst [illegible] — 5.8
Australia Tst. US$9.35 — 0.59
NAV July 15.
London Agents: Robt. Fleming & Co. Tel: 01-283 2400

Leopold Joseph & Sons (Guernsey)
Hirzel Ct., St. Peter Port, Guernsey [illegible]
L.J. Sterling Fund £13.45 13.46 — —
For Kemp-Gee see Scrimgeour Kemp-Gee.
For Keyser Ullman see Central Assets Management.

King & Shaxson Mngrs.
1, Charing Cross, St. Helier, Jersey. (0534) 73741
Valley Hse., St. Peter Port, Gnsy. (0481) 24706
1 Thomas Street, Douglas, I.O.M. (0624) 4856
Gilt Fund (Jersey) 7.14 7.19 +0.20 14.50
Gilt Trust (I.o.M.) 86.2 88.4 — 14.50
Gilt Fnd. Guernsey 7.59 7.64 +0.08 14.50
Intl. Govt. Secs. Tst.
First Sterling 15.27 15.40 — —
First Intl. US$193.81 195.27 — —

Kleinwort Benson Group
20, Fenchurch St., EC3. 01-623 8000
Guernsey Inc. 136.9 146.3 — 4.94
Do. Accum. 133.2 143.1 — 4.94
K.B. Eurobond Fd. £9.81 9.92 −0.9 10.73
K.B. Far East Fd. US$27.96 — 1.62
K.B. Gilt Fund £9.05 9.10 +0.14 13.72
K.B. Int. Bd. Fd. Inc. US$93.75 — 10.37
K.B. Int. Bd. Fd. Acc. US$106.01 — 10.37
K.B. Intl. Fund US$7.26 +0.47 2.32
K.B. Japan Fund US$49.29 — 0.71
K.B. Sterl. Asset Fd. £12.695 12.71 — —
K.B. U.S. Gwth. Fd. US$22.19 — 2.37
Signet Bermuda US$7.40 — 2.01
Transatlantic Fd. US$69.73 — 0.41

Kredietbank N.V. (Belgium)
Arenbergstraat 7, B-1000 Brussels
Eurinvest NAV Fbn1,122 +10 —

Lazard Brothers & Co. (Jersey) Ltd.
P.O. Box 108, St. Helier, Jersey, C.I. 0534 37361
Laz. Bros. Int. Cap. US$12.06 12.74 −0.15 1.00
Laz. Bros. Int. Inc. $93.72 98.23 — 15.00

Lloyds Bk. (C.I.) U/T Mgrs.
P.O. Box 195, St. Helier, Jersey. 0534 27561
Lloyds Tst. O'seas 124.5 130.5 +0.6 7.39
Next dealing date July 31.
Lloyds Trust Gilt 8.56 8.57 +0.18 14.29
Next dealing date Aug. 5.

Lloyds Bank International, Geneva
P.O. Box 438, 1211 Geneve 11 (Switzerland)
Lloyds Int. Growth SF708.00 755.00 — 0.60
Lloyds Int. Income SF275.50 286.00 — 6.30

M & G Group
Three Quays, Tower Hill EC3R 6BQ. 01-626 4588
Atlantic July 28 US$6.64 7.07 — —
Aus. Ex. July 30 US$6.11 6.44 −0.18 —
Gold Ex. July 30 US$30.70 32.64 −0.81 14.42
Gold Ex. Acc. US$41.26 43.92 −1.11 14.42
Island 168.8 179.4 +0.5 3.75
(Accum Units) 263.3 280.1 +0.5 3.75

Management International Ltd.
Bk. of Bermuda Bldg., Bermuda. 809-295-4000
Bda. Intl. Bd. Fd. Cap. US$11.80 — —
Bda. Intl. Bd. Fd. Inc. US$10.31 — 12.00
Prices July 24. Next dealing Aug. 3.

Midland Bank Tst. Corp. (Jersey) Ltd.
28-34, Hill St., St. Helier, Jersey. 0534 36281
[illegible]

Rothschild Asset Management (C.I.)
P.O. Box 58, St. Julians Ct., Guernsey. 0481 26331
O.C. America Fd.† [illegible]
OC Eq. Co.*** 125.4 133.3 — 2.48
O.C. Commodity* [illegible]
O.C. Dir. Comdty.† [illegible]
O.C. Hong Kg. Fd.†† [illegible] −2.62 —
O.C. Sterling Fd.** — £13.944 +0.004 —
**O.C. International Reserves Limited
Bel.Francs (Fk.) 479.86 | Italian Lira 24,371
Canadian $ 26.55 | Singapore $ 55.09
D-Mark 49.71 | £ Sterling 11.409
Dutch Guilder 45.60 | Swiss Francs 42.188
French Francs 132.77 | U.S.$ 23.13
*Prices on June 30. Next dealing July 14. †Prices on July 21. Next dealing August 7. **Daily dealings. ***July 15. ††Dealing every Wednesday.

Save & Prosper International
Dealing to:
P.O. Box 73, St. Helier, Jersey. 0534 73933
Fixed Interest Funds
Deutschmark Bd.*** [illegible] +0.05 5.24
Dlr. Fxd. Int.** [illegible]
St. Fixed***† 99.0 104.7 +1.4 13.37
Yen Bonds** Y1571 1,665 — 3.46
Equity Funds
Channel Capital† 94.3 99.3 +0.3 1.86
Internatl. Gr.*† [illegible]
Far Eastern*† [illegible]
North American*† [illegible]
Sepro*† [illegible]
Trust Channel Isl.† 81.8 86.1 +0.6 4.83
Commodity Funds
Commodity*** 122.4 129.3 +4.0 —
Deposit Funds
St. Deposit*** 140.6 140.6 — 8.18
Prices on *July 27. **July 29. ***July 24. ****July 29. Weekly dealings. †Daily dealings.

Schroder Life Group
Enterprise House, Portsmouth. 0705 27733
International Funds
£Equity 141.7 150.7 −3.5 —
$Equity [illegible]
£Fixed Interest 177.3 188.6 +3.1 —
$Fixed Interest [illegible]
£Managed 165.8 177.3 +0.9 —
$Managed [illegible]

Schroder Mngt. Services (Jersey) Ltd.
P.O. Box 195, St. Helier, Jersey. 0534 27561
Sterling Money Fd. £11.109 11.1100 — —
Next subscription day August 5.

J. Henry Schroder Wagg & Co. Ltd.
120, Cheapside, EC2. 01-588 4000
Am.Inv.Tst. July 22 US$39.07 −0.36 1.80
Asian Fd. July 20 [illegible] 32.52 — 2.09
Cheapside July 29 [illegible] — 2.06
Darling Fd. July 29 [illegible] 3.47 −0.06 4.20
Japan Fund July 23 [illegible] 11.84 — 0.76
Trafalgar Fd. June 30 US$265.69 — —

Scrimgeour Kemp-Gee Mngmt., Jersey
1, Charing Cross St. Helier, Jersey. 0534 73741
SKG Capital Fund 157.8 162.7 +3.7 —
SKG Income Fund 92.8 94.5 +1.1 8.93
Gilt Bond £1.050 1.104 +0.002 —

Surety Assurance International Ltd.
P.O. Box 1776, Hamilton 5, Bermuda.
Managed Fund [illegible]

Singer & Friedlander Ldn. Agents
20, Cannon St., EC4. 01-248 9646
Dekafonds DM25.05 26.38 −0.02 6.45
Tokyo Trust June 30 US$49.40 — 1.92

Strategic Metal Trust Mngrs. Ltd.
3 Hill Street, Douglas, IOM 0624 23914
Strategic Metal Tr. US$0.972 0.997 — —

Stronghold Management Limited
P.O. Box 315, St. Helier, Jersey. 0534-71460
Commodity Trust 155.48 163.67 — —

Surinvest (Jersey) Ltd. (x)
Queens Hse., Don Rd., St. Helier, Jsy. 0534 27349
American Ind.Tst. £6.25 6.39 −3.0 —
Copper Trust £13.98 14.31 +0.04 —
Jap. Index Tst. £8.79 8.98 −3.0 —

Surinvest Trust Managers Ltd.
4, Hill Street, Douglas, Isle of Man 0624 25914
The Coin Trust 116.8 123.6 — —

TSB Trust Funds (C.I.)
10 Wharf St., St. Helier, Jersey (CI). 0534 73494
[illegible]
Prices on July 30. Next sub. day August 5.

Tokyo Pacific Holdings N.V.
Intimis Management Co. N.V., Curacao.
NAV per share July 27 US$89.27.

Tokyo Pacific Hldgs. (Seaboard) N.V.
Intimis Management Co. N.V., Curacao.
NAV per share July 27 [illegible]

Tyndall Group
2 New St., St. Helier, Jersey. [illegible]

[illegible]

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mngrs. (a)
72-80, Gatehouse Rd., Aylesbury 0296 5941

Allen Harvey & Ross Unit Tst. Mngrs.
45, Cornhill, London EC3V 3PB. 01-623 6314
AHR Gilt Trust [94.1 99.2 +0.1 12.85

Allied Hambro Ltd. (a) (g)
Hambro Hse., Hutton, Brentwood, Essex.
01-588 2851 or Brentwood (0277) 211459

Anderson Unit Trust Managers Ltd.
158, Fenchurch St., EC3M 6AA. 623 9231
Anderson U.T. [71.6 77.2 ..... 3.28

Ansbacher Unit Mngmt. Co. Ltd.
1, Noble St., EC2V 7JA. 01-726 4931

Anthony Wieler Unit Tst. Mgmt. Ltd.
19, Widegate St., London, E1 7HP. 01-247 8827
Wieler Gwth Fd. Inc. 43.40 45.70 ..... 3.20
Do. Accum. 55.30 58.20 ..... 3.20

Arbuthnot Securities Ltd. (a)(c)
37, Queen St., London, EC4R 1BY. 01-236 5281
*Prices: ‡Tues. ‡Wed. ††Thurs. ‡‡‡Friday.

Archway Unit Tst. Mgs. Ltd.(a)(c)
317, High Holborn, WC1V 7NL. 01-831 6233
Archway Fund [124.8 134.2 ..... 5.09
Prices July 30. Next sub. day Aug. 6.

Barclays Unicorn Ltd.(a)(c)(g)
Unicorn Ho. 252, Romford Rd., E7. 01-534 5544

Baring Brothers & Co., Ltd (x)
88, Leadenhall St., EC3. 01-588 2830
Next sub. day August 4.

Bishopsgate Progressive Mgmt. Co.
Next sub. day Aug. 11. **Aug. 4.

Bridge Fund Managers (a)(c)
Regis Hse., King William St., EC4. 01-623 4951
Dealing *Tuesday. ‡Wednesday. ‡Prices July 21/22/23.

Britannia Gp. of Unit Trusts Ltd.(a)(c)(g)
604, Salisbury Hse., 4th Flr., Finsbury Circus, London EC2M 5QL. 01-638 0478/0479

The British Life Office Ltd (a)
Reliance Hse., Tunbridge Wells, Kt. 0892 22271
Prices July 28. Next dealing August 4.

Brown Shipley & Co. Ltd. (a)(g)
Harlands Hse., Haywards H'th, Sx. 0444-58144

Buckmaster Management Co. Ltd.
The Stock Exchange, EC2P 2JT. 01-588 2868

Canada Life Unit Trust Mngrs. Ltd.
2-6 High St., Potters Bar, Herts. P. Bar 51122

Capel (James) Mngt. Ltd.
100 Old Broad St., EC2N 1BQ. 01-588 6010
Prices on July 15. Next dealing August 5.

Carr, Sebag Unit Trust Managers(a)
57/63, Princess St., Manchester. 061-236 5685

Charities Charities N/R Fund‡‡
15, Moorgate, London, EC2. 01-638 4121

Charities Official Invest. Fund‡‡
77 London Wall, EC2N 1DB. 01-588 1815

Chieftain Trust Managers Ltd (a) (g)
11, New St., EC2M 4TP. 01-283 2632

Chieftain Fund Managers(g)
57-63, Princess St., Manchester. 061-236 5685

Confederation Funds Mgt. Ltd. (a)
50, Chancery Lane, WC2A 1HE. 01-242 0282
For Corporation see Chieftain Fund Managers.

Craigmount Unit Tst. Mgrs. Ltd.
Bucklersbury, London EC4N 8BD. 01-248 4984
High Income [34.0 37.1 +0.1 12.26
North American [71.4 77.1 -0.7 2.21
Canadian Exempt* [78.7 83.2 ..... 2.76
Canadian Trust [69.8 75.4 -2.8 2.33
Mid Mount High Inc. [48.6 51.8 ..... 9.37
Recovery [58.0 63.3 -0.2 4.79
Gilt Trust [39.1 42.0 -0.2 13.81
*Weekly dealing day Wednesday.

Crescent Unit Tst. Mngrs. Ltd. (a)(g)
4 Melville Cres., Edinburgh 3 031-226 4931
Cres. Amer. Fd. [48.4 52.2 -0.5 0.68
Cres. Internat'l. [96.3 103.4 -0.4 1.46
Cres. High. Dist. [44.4 47.7 ..... 9.35
Cres. Reserves [53.4 57.4 -0.1 5.27
Cres. Tokyo [42.4 45.3 -0.1 0.27

Darlington Unit Trust Mngt. Ltd.
Bridge Chambers, Barnstaple, Devon 0271 76824
Total Perf. Unit Tst.[23.9 25.4 ..... 9.00

Discretionary Unit Fund Managers
36/38 New Broad St, EC2M 1NU. 01-638 4485
Disc. Inc. July 23 [251.6 268.3 ..... 4.95

E. F. Winchester Fund Mngt. Ltd.
44, Bloomsbury Square, WC1A 2RA. 01-623 8893
Great Winchester [18.8 20.9 ..... 8.30
Gt. Winchester O'seas [30.8 34.2 ..... 3.40
For Emson and Dudley see Robert Fraser Tst. Mgmt.

Equity & Law Un. Tr. M. (a) (b) (c)
Amersham Rd., High Wycombe. 0494 33377
Equity & Law [96.1 101.0 -0.2 4.29

Fidelity International Management Ltd.
62-63 Queen St, London EC4 1AD 01-248 4891
American (z) [42.6 45.6 -0.2 0.45
Amer. Spec. Sits. (z) [92.1 94.6 -0.1 0.08
Gilt + Fixed Int. [22.4 23.5 ..... 13.32
Growth + Income [34.5 37.1 ..... 6.90
Maximum Inc. Eq. Tst. [29.8 32.0 ..... 8.56
Special Sits. [43.1 46.4 -0.3 1.57

James Finlay Unit Trust Mngt. Ltd.
10-14, West Nile Street, Glasgow. 041-204 1321
J. Finlay Internat'l [44.2 47.5 ..... 1.26
Accum. Units [55.0 59.1 ..... 1.26
J. Finlay High Income [37.6 40.4 ..... 9.88
Finlay Wld. Energy [20.0 21.5 ..... 1.28
Accum. Units [25.8 27.8 ..... 1.28
J. Finlay Fd. In. Tst. [41.6 44.7 ..... 4.50
Accum. Units [53.9 58.0 ..... 4.50
Prices on July 29. Next dealing July 30.

Framlington Unit Mgt. Ltd. (a)
64, London Wall, EC2M 5NQ. 01-628 5181

Robert Fraser Trust Mgt. Ltd.
28b Albemarle St., W.1. 01-493 3211
Robt. Fraser Ut. Tst. [94.1 98.5 ..... 6.00

Friends' Provdt. Trust Mgrs. (a) (b) (c).
Pixham End, Dorking. 0306 5055
Friends Prov. Units [68.1 72.8 -0.2 4.15
Do. Accum. [99.5 106.4 -0.2 4.15

Funds in Court*
Public Trustee, Kingsway, WC2. 01-405 4300
Capital July 16 [154.9 158.4 ..... 4.42
Gross Inc. July 16 [78.7 81.5 ..... 12.02
High Yield July 16 [97.6 100.0 ..... 10.40
*Unauth. Restricted to monies under Court control.

G.T. Unit Managers Ltd.
16, Finsbury Circus, EC2M 7DJ. 01-628 8131
G.T. Cap. Income [157.2 168.0 ..... 2.60
Do. Acc. [202.0 217.2 ..... 2.60
G.T. Inc. Fd. Un. [214.6 230.1 ..... 8.00
G.T. U.S. & Gen. [244.9 263.1 ..... 1.30
G.T. Wld. Bd. Fd. [101.2 105.6 ..... 7.20
G.T. Japan & Gen. [153.1 163.1 ..... 1.10
G.T. Pens. Ex. Fd. [384.5 404.7 ..... 1.40
G.T. Int'l. Fund [287.7 309.3 ..... 1.30
G.T. Four Yds. Fd. [55.2 59.3 ..... 6.30
G.T. Far East & Gen. [115.0 123.0 ..... 1.40
G.T. Tech. & Gth. Fd. [97.9 105.2 ..... 0.50

G. & A. Trust (a) (g)
5 Rayleigh Road, Brentwood (0277) 227300
G. & A. [45.1 48.2 ..... 4.83

Gartmore Fund Managers (a)(g)
2 St. Mary Axe, EC3A 8BP 01-623 6114
Dealing only: 01-623 5766/5806

Gibbs (Antony) Unit Tst. Mgs. Ltd. (a)
3 Frederick's Pl., Old Jewry, EC2 01-588 4111

Govett (John)
77 London Wall, EC2 01-588 5620
Next dealing July 17.

Grieveson Management Co. Ltd.
59 Gresham Street, EC2P 2DS 01-606 4433

Guardian Royal Ex. Unit Mgrs. Ltd.
Royal Exchange, EC3P 3DN 01-628 8011
(ag) Guardhill Tst. [138.3 143.3 -0.2 4.19

Henderson Administration (a) (b) (c)
Premier UT Admin., 5, Rayleigh Road, Hutton, Brentwood, Essex. 0277 217238

Hexagon Services Ltd.
4 Gt. St. Helens, London EC3P 3EP 01-551 0094
Brewin Intl. Gr. Inc. [..... 50.8 ..... 4.75

Hill Samuel Unit Tst. Mgrs.† (a)
45 Beech St., EC2P 2LX 01-628 8011

Investment Intelligence Ltd. (a)
15, Christopher Street, E.C.2. 01-377 9838

Key Fund Managers Ltd. (a)(g)
1, Paternoster Row, EC4 7DH 01-248 3999

Kleinwort Benson Unit Managers
20, Fenchurch St., EC3 01-623 8000

L & C Unit Trust Management Ltd.
The Stock Exchange, EC2N 1HP. 01-588 2800

Legal & General (Unit Tst. Mngrs.) Ltd.
5 Rayleigh Rd., Brentwood 0277 217238

Leonine Administration Ltd.
2, St. Mary Axe, EC3A 8BP. 01-623 6114

Lloyds Bk. Unit Tst. Mngrs. Ltd. (a)
Registrar's Dept., Goring-by-Sea, Worthing, West Sussex. 01-623 1288
@Unauthorised. For tax exempt funds only.

Lloyd's Life Unit Tst. Mngrs. Ltd.
2, St. Mary Axe, EC3A 8BP. 01-623 6114
Equity Accum. (2) [271.0 285.2 ..... 3.22

Local Authorities' Mutual Invest. Tst.*
77, London Wall, EC2N 1DB. 01-588 1815
Property Fd. June 30 | 158.75 | 6.88
Wider Fund June 30 | 285.25 | 4.76
Narrower Fd. June 30 | 74.40 | 13.71
*Unauthorised. Available only to Local Authorities.

M & G Group (y)(c)(z)
Three Quays, Tower Hill, EC3R 6BQ. 01-626 4588
American [77.6 83.0 +0.4 2.13
(Accum. Units) [83.9 89.8 +0.4 2.13
American Recovery [88.2 94.4 +0.7 1.51
(Accum. Units) [91.1 97.5 +0.7 1.51
Australasian [107.1 114.6 -2.2 1.22
(Accum. Units) [112.1 119.9 -2.4 1.22
Commodity [137.8 147.5 -0.9 2.68
(Accum. Units) [163.6 175.1 -1.0 2.68
Compound Growth [197.1 212.9 -0.1 2.82
Conversion Growth [128.4 137.4 -0.1 2.24
Conversion Income [76.9 82.3 -0.2 8.51
Dividend [130.5 140.3 +0.1 8.52
(Accum. Units) [298.5 320.9 +0.3 8.52
European [60.6 65.1 -0.4 3.21
(Accum. Units) [67.3 72.4 -0.5 3.21
Extra Yield [84.7 91.7 ..... 9.62
(Accum. Units) [136.8 149.1 ..... 9.62
Far Eastern [136.8 146.7 +5.3 1.21
(Accum. Units) [155.4 167.8 +6.0 1.21
Fund of Inv. Tsts. [98.8 106.2 +0.2 4.45
(Accum. Units) [158.8 184.9 +0.2 4.45
General [235.6 253.3 -0.1 5.30
(Accum. Units) [416.2 447.6 -0.1 5.30
Gilt Income [43.7 45.5 ..... 10.38
(Accum. Units) [45.3 47.6 ..... 10.38
High Income [111.9 119.7 +0.1 8.80
(Accum. Units) [221.7 238.9 +0.3 8.80
Japan [199.2 213.1 -1.3 0.30
(Accum. Units) [209.5 224.2 -1.2 0.30
Magnum [347.4 368.2 -1.0 5.24
(Accum. Units) [489.1 518.9 -1.4 5.24
Midland [166.1 177.7 +0.2 8.51
(Accum. Units) [328.0 351.0 +0.5 8.51
Recovery [130.0 139.1 +0.4 4.39
(Accum. Units) [147.7 158.9 +0.4 4.39
Second General [263.3 283.0 -0.3 4.92
(Accum. Units) [446.4 479.9 -0.2 4.92
Smaller Companies [286.5 306.6 +0.5 3.81
(Accum. Units) [392.9 420.4 +1.3 3.81
Specialised Funds
Trustee [176.1 188.4 +0.4 6.70
(Accum. Units) [404.6 432.9 +0.9 6.70
Charibond July 28 [..... 92.4 +1.9 12.05
Charifund July 28 [166.9 169.5 ..... 8.55
Pension Ex. July 27 [182.7 192.7 ..... 6.24

ManuLife Management Ltd.
St. George's Way, Stevenage. 0438 56101
Gth&Fxd Int. [49.4 58.4 ..... 5.54
Growth Units [84.0 88.4 ..... 4.42

Mayflower Management Co. Ltd.
14-18, Gresham St., EC2V 7AU. 01-606 8099
Income July 20 [114.1 120.1 ..... 8.49
General July 20 [81.6 85.9 ..... 4.77
Intl. July 20 [67.4 70.9 ..... 2.46

McAnally Fund Management Ltd.
Regis Hse., King William St., EC4. 01-623 4951
Delphi Inc. Tst. Acc. [34.4 38.3 ..... 8.84
Delphi Inc. Tst. Inc. [24.7 27.5 ..... 8.84

Mercury Fund Managers Ltd.
30, Gresham St., EC2P 2EB. 01-600 4555
Gen. Dist. July 30 [83.9 89.2 ..... 3.81
Gen. Acc. July 30 [121.3 129.0 ..... 3.81
Inc.&Rec.Fnd.July 30 [50.0 53.1 -0.1 7.75
Intl. Dist. July 30 [109.0 116.0 ..... 2.80
Intl. Acc. July 30 [126.5 134.6 ..... 2.80
Ext. Dist. July 30 [88.5 94.3 ..... 3.97
Ext. Acc. July 30 [127.4 126.5 ..... 3.97
Gilt Fund July 30 [58.8 51.3 -0.1

Midland Bank Group Unit Trust Managers Ltd.
Courtwood House, Silver Street, Head, Sheffield, S1 3RD. Tel: 0742 79842
Commodity & Gen. [109.2 119.4 -0.6 2.82
Acc. Uts. [138.5 151.4 -0.9 2.82
Overseas Growth [53.1 57.4 -0.1 1.46
Do. Accum. [59.6 65.5 -0.1 1.46
Capital [33.3 36.0 +0.4 3.14
Do. Accum. [60.1 63.4 +0.5 3.14
Income [61.9 66.9 +0.3 6.29
Do. Accum. [82.5 89.2 +0.1 6.29
North American [55.6 59.9 -0.1 2.05
Do. Accum. [62.4 67.2 -0.1 2.05
High Yield [62.5 67.4 +0.2 8.49
Do. Accum. [80.6 87.2 +0.2 8.49
Japan & Pacific [74.0 80.1 +1.3 0.33
Do. Accum. [75.7 82.0 +1.3 0.33
Gilt & Fixed Int. Tst. [48.7 ..... 15.08
Do. Accum. [46.1 ..... 15.08
Equity Exempt* [134.8 141.8 +1.8 4.96
Do. Accum.* [147.0 155.1 +1.8 4.96
*Prices at July 31. Next dealing August 7

Minster Fund Managers Ltd.
Minster Hse., Arthur St., EC4R 9BH 01-623 1050
Minster July 24 [45.3 47.3 ..... 7.61
Exempt June 30 [118.7 122.7 ..... 8.01

MLA Unit Trust Mngmnt. Ltd.
Old Queen Street, SW1A 9JG. 01-222 8177
MLA Units [92.3 96.9 ..... 3.91

Murray Johnstone U.T. Mgmt. (a)
163, Hope Street, Glasgow, G2 2UH. 041-221 5521
Murray European [65.6 70.2 +0.3 1.61
Murray Smlr. Cos. Fd. [80.7 87.4 +2.0 2.13
Dealing Day Friday.

Mutual Unit Trust Managers (a)(g)
Broad St. Ave., Blomfield St., EC2. 01-638 3911-2
Mutual Sec. Plus [52.4 56.4 -0.1 8.85
Mutual Inc. Tst. [77.4 82.4 -0.1 8.47
Mutual Blue Chip [50.9 54.8 -0.2 7.28
Mutual High Yld. [54.7 58.7 -0.1 10.52

National Provident Inv. Mngrs. Ltd.
48, Gracechurch St., EC3P 3HH. 01-623 4200
*Prices on July 28. Next dealing August 12.
**Prices on July 30. Next dealing August 27.

National Westminster (a)
161, Cheapside, EC2V 6EU. 01-606 6060

NEL Trust Managers Ltd. (a) (g)

Northgate Unit Trust Managers Ltd. (c)(y)
20, Moorgate, EC2R 6AQ 01-606 4477
Northgate July 30 [117.1 124.6 +3.3 4.51
(Accum. Units) [124.7 132.7 +3.4 4.51

Norwich Union Insurance Group (b)
P.O. Box 4, Norwich, NR1 3NG. 0603 22200
Group Tst. Fund [477.8 502.9 +0.5 4.98

Pearl Trust Managers Ltd. (a)(g)(z)
252, High Holborn, WC1V 7EB. 01-405 8441

Pelican Units Admin. Ltd. (g)(x)
57-63, Princess St., Manchester. 061-236 5685
Pelican Units [131.6 141.6 +0.1 5.04

Perpetual Unit Trust Mngmt. (a)
48, Hart St., Henley on Thames 04912 6868

Practical Invest. Co. Ltd. (y)(c)
44, Bloomsbury Sq., WC1A 2RA 01-623 8893

Provincial Life Inv. Co. Ltd.
222, Bishopsgate, EC2. 01-247 6533

Prudl. Portfolio Mngrs. Ltd. (a) (b) (c)
Holborn Bars, EC1N 2NH. 01-405 9222

Quilter Management Co. Ltd.
The Stock Exchange, EC2N 1HP. 01-600 4177

Reliance Unit Mgrs. Ltd.
Reliance Hse., Tunbridge Wells, Kt. 0892 22271

Ridgefield Management Ltd.
1 Finsbury Sq., EC2A 1PD 01-588 6906

Rothschild Asset Management (a) (g) (c)
72-80, Gatehouse Rd., Aylesbury. 0296 5941

Rowan Unit Trust Mngt. (a)
City Gate Hse., Finsbury Sq., EC2. 01-606 1066

Royal Tst. Can. Fd. Mgrs. Ltd.
48-50, Cannon St., London EC4M 6LD 01-236 6044
Prices on July 15. Next dealing day July 31.

For Saturn Fund Mngt. see SIMCO

Save & Prosper Group
4, Great St. Helens, London EC3P 3EP
68-73 Queen St., Edinburgh EH2 4NX
Dealings to: 01-554 8899 or 031-226 7351

Schroder Unit Trust Managers Ltd.
48, St. Martins Lane, WC2. Dealings 0705 27733
*For tax exempt funds only.

Scottish Amicable Inv. Mngrs. Ltd.
150 St. Vincent St., Glasgow 041-221 9944
Equity Trust Accum. [104.4 112.7 -0.1 5.43

Scottish Equitable Fund Mgrs. Ltd.
28 St. Andrews Sq., Edinburgh 031-556 9101
Dealing day Wednesday.
For Sebag see Carr, Sebag Unit Trust Managers.
For Security Selection see McAnally Fund Management.

SIMCO Money Funds
66, Cannon Street, EC4N 6AE 01-236 1425
SIMCO Call Fund† [..... | 12.02
SIMCO 7-day Fund† [..... | 12.57
†Unauthorised—Cash Deposit Funds.

Stewart Unit Tst. Managers Ltd.(a)
45, Charlotte Sq., Edinburgh. 031-226 3271
Deal. †Tues. & Fri. *Wed. ** First deal. Aug 6.

Sun Alliance Insurance Group.
Sun Alliance Hse., Horsham. 0403 64141
Ex. Eq. July 8 [£348.50 366.90 ..... 4.43
The Family Fund [144.4 153.4 +0.4 4.21

Swiss Life Pen. Tst. Man. Co. Ltd.(a)(c)
9-12 Cheapside, London, EC2V 6AL. 01-236 3841
*Prices at July 8. Next dealing August 12.
†Prices at July 22. Next dealing Aug. 5.

Target Tst. Mngrs. Ltd. (a) (g)
31, Gresham St., E.C.2. Dealings: 0296 5941.
19, Athol Crescent, Edin. 3. 031-229 8621/2

Tower Unit Trust Mngt. Ltd.
39/45 Finsbury Square, EC2A 1PX. 01-628 2612
Income & Growth [24.4 25.4 ..... 6.11
Special Situations [54.0 35.7 +0.1 1.33

Trades Union Unit Trust Managers
100, Wood Street, E.C.2. 01-628 8011
TUUT July 1 [65.5 69.7 ..... 4.98

Transatlantic and Gen. Secs. (c) (y)
91-99, New London Rd., Chelmsford. 0245-51651

Tyndall Managers Ltd.(a)(b)(c)
18, Canynge Road, Bristol. 0272 32241
24 Castle St., Edinburgh. 031 225 1168

Tyndall & Co.—Deposit Funds
*Unauthorised—Cash Deposit Funds.

TSB Unit Trusts (y)
PO Box 3, Keens Hse., Andover, Hants, SP10 1PG.
0264 62188. Dealings to 0264 63432-3

Ulster Bank (a)
Waring Street, Belfast. 0232 35231
(b)Ulster Growth [42.3 45.4 +0.2 5.67

Unit Trust Account & Mngmt. Ltd.
Regis Hse., King William St, EC4R 9R. 01-623 4951
Friars Hse. Fund [59.9 63.8 ..... 4.70

INSURANCE PROPERTY BONDS

Abbey Life Assurance Co. Ltd.
1-3 St. Paul's Churchyard, EC4. 01-248 9111

Albany Life Assurance Co. Ltd.
31, Old Burlington St., W.1. 01-437 5962

AMEV Life Assurance Ltd.
2-6, Prince of Wales Rd., B'mouth. 0202 767122

Barclays Life Assur. Co. Ltd.
252 Romford Rd., E7. 01-534 5544

Black Horse Life Ass. Co. Ltd.
71, Lombard St., EC3. 01-623 1288

Canada Life Assurance Co.
2-6, High St., Potters Bar, Herts. P. Bar 51122

Cannon Assurance Ltd.
1 Olympic Way, Wembley HA9 0NB. 01-902 8876
Current value July 28.

Capital Life Assurance
Coniston House, Chapel Ash W'ton. 0902 28511
Key Invest. Fd. | 114.59 | ..... | —
Pacemaker Inv. Fd. | 86.77 | ..... | —

Charterhouse Magna Gp.
Stephenson Hse., Brunel Centre, Bletchley, Milton Keynes. 0908 640272

Chieftain Assurance Funds
11 New Street, EC2M 4TP. 01-283 3933

City of Westminster Assurance
Ashton House, 499, Silbury Boulevard, Milton Keynes, MK9 2LA. 0908-606101
Fund currently closed to new investment.
Series (2) Prices are for policies issued after 1.1.1980.
Series (1) These are bid prices for earlier policies.

Commercial Union Group
St. Helen's, 1, Undershaft, EC3. 01-283 7500
Vr. An. July 18 | 91.74 | 2.7
Do. Annuity Uts. | 25.65 | ..... | —
"Hand in Hand" Investment Bond

Confederation Life Insurance Co.
50, Chancery Lane, WC2A 1HE. 01-242 0282

Cornhill Insurance Co. Ltd.
32, Cornhill, E.C.3. 01-626 5410

Credit & Commerce Insurance
120, Regent St., London W1R 5FE. 01-439 7081

Crown Life
Crown Life Hse., Woking GU21 1XW 04862 5033

Crusader Insurance Co. Ltd.
Tower Hse., 38 Trinity Sq., EC3N 4DJ 488 2323
Growth Prop. July 7 [98.4 109.6 ..... —

Eagle Star Insur./Midland Assur.
1, Threadneedle St., EC2. 01-588 1212
Eagle/Mid. Units [72.9 75.6 +0.1 6.10

Equity & Law Life Ass. Soc. Ltd.
Amersham Road, High Wycombe. 0494 33377

Equity & Law (Managed Funds) Ltd.
Amersham Road, High Wycombe. 0494 33377
Prices at July 9. Next settlement Aug. 13.
Group Pension Funds—Prices Available On Request.

Family Assurance Society
(See Planned Savings Group)

Assicurazioni GENERALI S.p.A.
117, Fenchurch St., EC3M 5DY. 01-488 0733
Intl. Managed Bond [129.6 136.5 ..... —

General Portfolio Life Ins. C. Ltd.
Crossbrook St., Cheshunt, Herts. Waltham X 31971

Growth & Sec. Life Ass. Soc. Ltd.
48, London Fruit Exchange, E1 6EU 01-377 1016

Guardian Royal Exchange
Royal Exchange, E.C.3. 01-283 7101

Hambro Life Assurance Limited
7 Old Park Lane, London, W1. 01-499 0031

Hearts of Oak Benefit Society
129, Kingsway, London, WC2B 6NF 01-404 0393
Hearts of Oak [44.9 47.7 ..... —

Henderson Administration
11 Austin Friars, London, EC2. 01-588 3622

Hill Samuel Life Assur. Ltd.
NLA Twr., Addiscombe Rd., Croy. 01-686 4355

Imperial Life Ass. Co. of Canada
Imperial House, Guildford. 71255
Growth Fd. July 24 [107.3 116.6 ..... —
Pen. Mnd. Fd. July 24 [99.1 107.7 ..... —
Unit Linked Portfolio

Irish Life Assurance Co. Ltd.
Basildon House, 7/11 Moorgate, EC2. 01-606 8401

King & Shaxson Ltd.
52 Cornhill, EC3. 01-623 5433
Bond Fd. Exempt [101.22 102.89 -0.14 —

Langham Life Assur. Co. Ltd.
Langham Hse., Holmbrook Dr., NW4. 01-203 5211

Legal & General (Unit Assur.) Ltd.
Kingswood House, Kingswood, Tadworth, Surrey KT20 6EU. Burgh Heath 53456

Legal & General (Unit Pensions) Ltd.

Legal & General Prop. Fd. Mgrs. Ltd.
11, Queen Victoria St., EC4N 4TP. 01-248 9678
L & G July 1 [120.8 126.8 ..... —
Next sub. day August 1.

Life Assur. Co. of Pennsylvania
8, New Rd., Chatham, Kent. Medway 812348
LACOP Units [10.53 11.08 ..... —

Lloyds Life Assurance
20, Clifton St., EC2A 4HX 01-247 7699

London A'deen & Nthn. Mtl. Assur. Ltd.
129 Kingsway, London, WC2B 6NF. 01-404 0393
'Asset Builder' [54.9 57.8 ..... —

London Indemnity & Gnl. Ins. Co. Ltd
18-20, The Forbury, Reading 583511

London Life Linked Assur. Ltd.
81 King William St., EC4N 7BD. 01-626 0511

The London & Manchester Ass. Gp.
Winslade Park, Exeter. 0392 52155

M & G Group
Three Quays, Tower Hill, EC3R 6BQ. 01-626 4588

Manufacturers Life Insurance Co.
St. George's Way, Stevenage. 0438 56101

Merchant Investors Assurance
Leon House, 233 High St., Croydon 01-686 9171

NEL Pensions Ltd.
Milton Court, Dorking, Surrey. 5911
Next sub. day Aug. 25.

NPI Pensions Management Ltd.
48 Gracechurch St., EC3P 3HH. 01-623 4200
Managed Fund [254.0 264.6 ..... —
Prices July 1. Next dealing August 3.

New Zealand Ins. Co. (UK) Ltd.
Maitland House, Southend SS1 2JS 0702 62955

Norwich Union Insurance Group
PO Box 4, Norwich NR1 3NG. 0603 22200

Phoenix Assurance Co. Ltd.
4-5 King William St., EC4P 4HR. 01-626 9876
Wealth Ass. [164.6 173.4 ..... —
Ebr. Ph.Eq.E. [125.2 132.6 ..... —

Pioneer Mutual Insurance Co. Ltd.
16, Crosby Rd., N. Waterloo, L'pool 051-928 6655
Pioneer Mtl. Md. Fd. [95.3 100.5 ..... —

Planned Savings Group
25 Worship St., London, EC2A 2AB. 01-920 0661

Premium Life Assurance Co. Ltd.
Eastchester Hse., Haywards Heath 0444 58721

Prop. Equity & Life Ass. Co.
42 Houndsditch, London EC3A 7AY 01-621 1124
R. Silk Prop. Bond | 231.7 | ..... —
Do. Equity Bond | 104.8 | ..... —
Flex Money Bond | 158.3 | ..... —

Property Growth Assur. Co. Ltd.
Leon House, Croydon CR9 1LU. 01-680 0606

Prop. Growth Pensions & Annuities Ltd.

Providence Capitol Life Assr. Co. Ltd.
30 Uxbridge Road, W12 8PG. 01-749 9111
For Other Funds and Capital Units ring 01-749 9111.

Provincial Life Assurance Co. Ltd.
222, Bishopsgate, EC2. 01-247 6533
For Capital Unit Prices ring 01-247 6533.

Prudential Pensions Limited
Holborn Bars, EC1N 2NH. 01-405 9222

Refuge Investments Limited
103 Oxford St., Manchester 061-236 9432
Managed [97.7 102.9 +1.0 —
Property [96.3 101.4 +0.3 —

Reliance Mutual
Tunbridge Wells, Kent. 0892 22271

Rothschild Asset Management
St. Swithins Lane, London EC4. 01-626 4356
N.C. Prop. [166.9 175.5 ..... —
Next sub. period Sept. 30/Oct. 15

Royal Insurance Group
New Hall Place, Liverpool. 051-227 4422
Royal Shield Fd. [206.0 217.9 ..... —

Save & Prosper Group
4, Gt.St. Helen's, Lndn., EC3P 3EP. 01-554 8899
*Prices on July 29.
†Weekly Dealings.

Schroder Life Group
Enterprise House, Portsmouth. 0705 27733
Prices are for Life Series 4. July 28.
Pension Series 8, July 28. Other prices on request.

Scottish Amicable Investments.
P.O. Box 25, Craigforth, Stirling. 0786 3141

Scottish Widows' Group
PO Box 902, Edinburgh EH16 5BU 031-655 6000

Skandia Life Assurance Co. Ltd.
161-166 Fleet St., London EC4 2DY 01-353 8511
For Prices of other Units and Guaranteed Rates please Phone: 01-353 8511

For Solar Life Assurance Ltd. see Sun Life Unit Assurance Ltd.

Standard Life Assurance Company
3 George St., Edinburgh EH2 2XZ. 031-225 7971

Sun Alliance Insurance Group
Sun Alliance House, Horsham. 0403 64141

Sun Life of Canada (UK) Ltd.
2, 3, 4, Cockspur St., SW1Y 5BH 01-930 5400

Sun Life Unit Assurance Ltd.
107, Cheapside, London, EC2V 6DU. 0272-299 534

Sun Life Pensions Management Ltd.

Target Life Assurance Co. Ltd.
Target House, Gatehouse Road, Aylesbury, Bucks. Aylesbury (0296) 5941

Transinternational Life Ins. Co. Ltd.
2 Bream's Bldgs., EC4A 1NU. 01-405 6497

Trident Life Assurance Co. Ltd
London Road, Gloucester. 0452 36541

Tyndall Assurance/Pensions(a)(b)(c)
18, Canynge Road, Bristol. 0272 32241

Vanbrugh Life Assurance
41-43 Maddox St., Ldn. W1R 9LA. 01-499 4923

Vanbrugh Pensions Limited
41-43, Maddox St., Ldn. W1R 9LA 01-499 4923

Welfare Insurance Co. Ltd.
Winslade Park, Exeter. 0392-52155
Moneymaker Fd. | 121.4 | ..... —
For other funds, please refer to The London & Manchester Group.

Windsor Life Assur. Co. Ltd.
Royal Albert Hse., Sheet St., Windsor 68144

OFFSHORE & OVERSEAS FUNDS

Adig Investment
Postfach 703, 8000 Munich 1, Telex 524269

Albany Fund Management Limited
P.O. Box 73, St. Helier, Jersey. 0534 73933
Albany $ Fd. (CI) [US$20.12 20.12 ..... 1.48
Next dealing July 30.

Alexander Fund
37, rue Notre-Dame, Luxembourg.
Alexander Fund | US$13.78 | ..... —
Net asset value July 29.

Allen Harvey & Ross Inv. Mgt. (C.I.)
1 Charing Cross, St. Helier, Jsy., C.I. 0534-73741

Alliance International Dollar Reserves
c/o Bank of Bermuda, Hamilton, Bermuda.
Distribution July 22/Aug 2 0.022792 (10.5%).

Arbuthnot Securities (C.I.) Limited
P.O. Box 284, St. Helier, Jersey. 0534 76077
Sterling Fd. [127.5 127.6 ..... —
Dealing on Wed.

B.I.A. Bond Investments AG
10, Baarerstrasse CH6301, Zug, Switzerland

Bank of America International S.A.
35 Boulevard Royal, Luxembourg G.D.
Prices at July 23. Next sub. day July 29.

Barbican Managers (Jersey) Ltd.
P.O. Box 63, St. Helier, Jersey 0534 74806
Barb. Int. Fund [129.8 133.9 -0.4 2.80

Barclays Unicorn International
1, Charing Cross, St. Helier, Jersey. 0534 73741
1, Thomas St., Douglas, Isle of Man. 0624 4856

Bishopsgate Commodity Ser. Ltd.
P.O. Box 42, Douglas, I.o.M. 0624-23911
Original issue *$10 and **£1. Next val. August 3.

Bridge Management Ltd.
GPO Box 590, Hong Kong

Britannia Intl. Investment Mngt. Ltd.
Box 271, Queensway House, Queen Street, St. Helier, Jersey C.I. 0534 73114

Brown Shipley Tst. Co. (Jersey) Ltd.
P.O. Box 583, St. Helier, Jersey. 0534 74777

Butterfield Management Co. Ltd.
P.O. Box 195, Hamilton, Bermuda.
Prices at June 8. Next sub. day Aug. 3.

CAL Investments (IoM) Ltd.
16, St. Georges St., Douglas, IOM. 0624 25031
Next valuation day Aug 3.

Capital S.A.
P.O. Box 178, 1211 Geneva 12. 010 4122 466288

Capital Asset Managers Ltd.
Bermuda Hse., St. Julians Ave, St. Peter Port, Guernsey C.I. 0481 26268

Capital International Fund S.A.
43, Boulevard Royal, Luxembourg

Central Assets Management Ltd.
Channel Hse., St. Helier, Jersey. 0534-79673

Charterhouse Japhet
1 Paternoster Row, EC4 01-248 3999
Prices at June 30. Next sub. day August 3.

Chieftain Commodities (Isle of Man) Ltd.
29, Athol Street, Douglas, I.o.M. 0624 21726

Continued on previous page

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1981 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
99¾	98⅝	Treas. Variable '81‡‡	99¾	.....	14.28	14.54
100¾	99⅜	Exch. 12¼pc 1981‡‡	99⅝	−⅛	12.79	13.50
98	95⅞	Treas. 8¼pc '80-82‡‡	97⅜	−⅛	8.69	13.56
96⅛	91⅜	Treasury 3pc '82‡‡	96xd	.....	3.13	10.76
107	100⅝	Treasury 14pc '82‡‡	100⅝	−⅛	13.96	13.41
99⅝	98⅝	Treas. Variable '82‡‡	99⅝	.....	14.31	14.62
96⅞	93⅛	Treasury 8¼pc '82	95⅛	−⅛	8.66	13.82
96⅞	93⅛	Exch. 9¼pc 1982	94⅞	−⅛	9.74	14.14
95⅝	92⅞	Exch. 8¾pc 1983	94⅛	−⅛	9.30	13.33
92⅛	84⅞	Exch. 3pc 1983	91⅛xd	.....	3.28	8.96
99⅜	95¾	Treasury 12pc 1983‡‡	96½	.....	12.44	14.42
99½	96¼	Treas. Variable '83‡‡	99½	.....	14.33	14.51
94⅝	91¼	Treasury 9½pc '83	93⅝	−⅛	9.90	13.17
101⅜	97⅞	Exch. 13½pc '83	98⅝	−⅛	13.68	14.13
94⅝	91¼	Exch. 10pc 1983	92½	−⅛	10.81	13.76
88	84½	Funding 5½pc '82-84‡‡	87⅜	.....	6.29	11.68
96¾	92⅞	Exch. 11¼pc 1984	93¾xd	−⅛	12.00	14.19
103⅛	98¼	Exchequer 14pc 1984	99	−¼	14.14	14.39
82⅞	78½	Exch. 3pc 1984	80⅞	.....	3.70	10.89
98⅞	92¾	Treasury 12pc 1984	93½	−⅛	12.83	14.58
107¼	100⅞	Treasury 15pc 1985	101½xd	−¼	14.77	14.45
98⅞	91⅝	Exch. 12pc Cnv. '85	92⅜	−¼	12.99	14.75
76	73¼	Treasury 3pc 1985	74½	.....	4.02	11.44
96⅜	89⅞	Treasury 11½pc 1985●	90½	−¼	12.70	14.72
98⅜	91⅛	Exch. 12¼pc 1985	92⅝	−¼	13.26	14.65
97⅞	89¾	Exch. 11¾pc '86	90⅝xd	−¼	12.96	14.64
70⅝	68	Treasury 3pc 1986	68¾	.....	4.36	11.68
97⅜	90	Treasury 12pc '86	90⅝	−¼	13.24	14.74
88⅝	81⅛	Treasury 8¾pc '84-86‡‡	81¾	−¼	10.39	13.69

Five to Fifteen Years

1981 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
105¾	94½	Exch. 13¼pc 1987	96	−⅛	13.84	14.40
81½	75	Funding 6½pc '85-87‡‡	76⅛	−¼	8.72	12.90
99½	89⅜	Treas. 12pc 1987	91⅜	−⅜	13.56	14.86
81¼	74⅝	Treasury 7¾pc '85-88‡‡	75¾	−¼	10.24	13.49
65½	59⅛	Transport 3pc '78-88	62½	−¼	4.83	10.91
92¾	80½	Treasury 11½pc 1989	82½xd	−⅜	13.82	15.33
67⅛	61¼	Treasury 5pc '86-89	62⅝	−¼	8.20	12.83
101½	88⅝	Treasury 13pc 1990‡‡	92	−¼	14.21	14.79
95⅞	87⅜	Exch. 12½pc 1990	89⅛	−½	14.55	15.52
80⅝	72⅝	Treasury 8¼pc '87-90‡‡	73¾	−¼	11.34	13.63
93⅛	80⅞	Treasury 11¾pc 1991	82½	−⅜	14.36	15.39
66¼	60⅝	Funding 5¾pc '87-91‡‡	61½	−¼	9.43	13.26
99	78¼	Exch. 11pc 1991	80⅝	−⅜	14.15	15.37
98⅜	85¼	Treasury 12¾pc '92‡‡	87¼	−½	14.66	15.28
82⅞	71½	Treasury 10pc 1992	73xd	−¼	13.59	15.08
94⅞	80⅝	Exch. 12¼pc '92	82½xd	−⅜	14.69	15.45
101⅝	91⅝	Exchequer 13½pc '92	94	−⅜	15.15	15.55
96¼	83¼	Treasury 12½pc '93‡‡	85¼	−⅜	14.76	15.27
63⅞	58⅛	Funding 6pc 1993‡‡	59¼	−¼	10.52	13.28
105¼	91⅛	Treasury 13¾pc 1993‡‡	93¼	−¼	15.18	15.46
107¼	93½	Treasury 14½pc '94‡‡	93¾xd	−⅛	15.25	15.44
104¼	90⅛	Exchequer 13½pc 1994	92⅛	−⅜	15.23	15.56
95⅝	81½	Exch. 12½pc 1994	83¾xd	−⅜	14.88	15.39
79⅜	68⅝	Treasury 9pc '94‡‡	70⅝	−⅛	13.13	14.36
92⅞	79½	Treasury 12pc '95	81¼	−⅜	14.80	15.36
51⅛	45⅛	Gas 3pc '90/95	45½	−¼	6.70	10.80
83	71¼	Exch. 10¼pc 1995	72¾	−¼	14.14	15.01
100⅞	86¼	Treasury 12¾pc '95‡‡	88⅛	−⅜	14.92	15.25

Over Fifteen Years

Undated

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

CORPORATION LOANS

COMMONWEALTH AND AFRICAN LOANS

1981 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
96¼	92¾	Aust. 5½pc '81-82	96	.....	5.84	14.74
87½	83½	Do. 6pc 1981-83	85	.....	7.14	14.21
67¾	59	N.Z. 7½pc 1988-92	60	.....	12.19	14.85
81¾	74	Do. 7½pc '83-86	74⅞	.....	10.15	15.26
141	115	S. Rhod. 2½pc Non-Ass.	138	.....	—	—
60	43	Do. 3½pc 80-85 Assd.	60	.....	5.96	18.80
43	26	Do. 4½pc 87-92 Assd.	41	.....	10.98	16.80
395	333	Zimbabwe Ann (£100pu)	386	.....	—	21.42

LOANS

Public Board and Ind.

1981 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
64	58	Agric. Mt. 5pc '59-89	61	.....	8.24	13.12
29½	25	Met. Wtr. 3pc 'B'	25¾	.....	12.19	14.44
114	98½	U.S.M.C. 9pc 1982	105	.....	8.71	—
97¼	91	Do. without Warnts.	93½	.....	9.77	17.10

Financial

1981 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
101½	96¼	FFI 14pc '83	97½	−¼	14.36	15.25
92	88½	FFI(UK Fn)5½pcDb. '80-2	92	.....	6.12	15.65
83½	77	Do. 6¼pcDb. '81-84	79	.....	8.05	15.00
93	84½	Do. 10¼pc Uns.Ln. '86	86½xd	.....	12.13	14.70
92	80	Do. 11pc Uns.Ln. '88	81½xd	.....	13.49	14.90
92	80	Do. 11¾pc Uns.Ln. '90	82½xd	+½	14.24	15.58
94½	83½	Do. 12¾pc Un. Ln. 1992	88	+½	14.98	15.70
64½	55½	Do. 7½pcADeb. '89-92	57	.....	13.03	15.70
62	54½	Do. 7½pcADeb. '91-94	57	.....	13.37	15.50
72½	65	Do. 9pc 'A' '91-94	66½	−½	14.26	15.70
70	59	Do. 8¾pcLn. '92-97	60xd	.....	14.79	15.70

FOREIGN BONDS & RAILS

1981 High	Low	Stock	Price £	+ or −	Div. % Gross	Red. Yield
95	58	Antofagasta Rly.	95	.....	—	—
55	55	Do. 5pc Pref.	55	.....	—	—
98	98	Chilean Mixed	98	.....	3	13.07
28	14	Chinese 4½pc 1898	14	.....	—	—
22	12	Do. 5pc 1912	12	.....	—	—
18	9	Do. 5pc 1913	9	.....	—	—
16	9	Do. 5pc '25 Boxer	9	.....	—	—
94	79½	Denmark 13pc 2005	80¾	−½	13	16.39

AMERICANS

CANADIANS

1981 High	Low	Stock	Price	+ or −	Div. Gross	C'vr	Y'ld Gr's
16¾	812p	Hudson's Bay‡	12¼	+¼	$1.20	—	4.4
17¾	795p	Hud.B.Oil G. $2½	16¾	−¼	32c	—	0.9
16⅝	11½	Imperial Oil‡	15¾	−¾	$1.40	—	3.9
11½	765p	Inco	10⅛	−⅛	SUS72c	—	3.1
750p	450p	Int. Nat. Gas $1	640p	−10	$1.10	—	7.6
210p	139p	Massey Ferg.‡	155p	−1	—	—	—
120p	80p	Place Gas $1	85p	−3	—	—	—
17½	10¼	Rio Algom	16½	+¼	$1.50	—	4.0
12⅝	10⅞	Royal Bk. Can. $1	12xd	−⅛	$1.80	—	6.7
30	23¾	Seagram Co. C$1	28¾	−⅝	US$1.40	—	2.5
14⅛	11¼	Tor. Dom. Bk. $1	13	−⅛	$1.60	—	5.4
11	750p	Trans Can. Pipe	10	−¼	$1.16	—	5.1

BANKS AND HIRE PURCHASE

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
327	208	ANZ $A1	325	−2	†Q24c	3.6	4.5	6.1
280	240	Alexanders D. £1	280xd	.....	17.0	—	10.1	—
*£59½	£48¾	Algemene Fl.100	£58	.....	Q26%	1.9	8.8	5.9
405	325	Allen Harvey £1	325	.....	23.0	—	10.1	—
*116	100	Allied Irish	103	−1	Q8.9%	5.5	8.2	3.2
21¾	16¼	Ansbacher (H.) 5p	17¼	.....	0.15	—	1.2	—
355	234	Arbuthnot L. £1	287	+12	12.0	—	6.0	—
310	260	Bk. Ireland £1	290	+5	Q28.9%	—	7.7	—
*8	3	Bk. Leumi $0.1	5	.....	Q12%	—	2.8	—
250	170	Bk. Leumi (UK) £1	250	.....	10.15	—	5.8	—
193	145	Bk. N.S.W. $A1	188	.....	‡Q18c	2.9	5.8	5.8
420	285	Bank Scotland £1	405	−3	17.5	5.2	6.2	3.3
455	376	Barclays £1	430	−8	18.5	5.5	6.1	3.5
243	182	Brown Shipley £1	228xd	−2	16.5	—	4.1	—
408	328	Cater Ryder £1	328	.....	23.1	—	10.1	—
95	79	Charterhouse Gp.	86	.....	4.51	1.7	7.5	(9.7)
50	34	Clive Dis'nt 20p	36	+1	1.5	—	6.0	—
438	310	Com'l Aus. ($A1)	430	.....	‡Q20c	2.9	2.8	12.0
640	520	Com'zbk DM 10	610	−5	—	—	—	—
925	925	C'hgn.Hbk.Kr100	925	.....	Q14%	—	10.6	—
£15½	£14	Cred. France F100	£14	.....	Q17¼%	—	12.2	—
39	15	Dawes (G. R.)	15	.....	—	—	—	—
*£63	£53⅝	Deutsche Bank DM50	£62½	−½	Q31¼%	—	5.3	—
525	405	‡Dunbar Grp. £1	520	+5	16.2	5.0	1.7	16.7
107	105	F. C. Finance	106	.....	♦—	—	—	—
37¼	23½	First Nat. 10p	35	.....	—	—	—	5.9
5	3½	Do. Wrrts. 75-83	3¼	+¼	—	—	—	—
324	260	Gerrard Natnl	265	.....	14.0	—	7.5	—
290	218	Gillett Bros. £1	235	.....	17.71	—	10.8	—
38	28	Goode D't Mry. 5p	33	.....	0.75	—	3.2	—
250	152	Grindlays	226	−2	4.13	4.1	2.6	10.0
123	100	Guinness Peat	105	.....	7.0	—	9.5	—
940	565	Hambros	855	.....	22.5	—	3.8	—
176	130	Hill Samuel	164	.....	7.0	—	6.1	—
*165	124	Hong Shng.$2.50	158	+5	NQ60c	—	3.5	—
88	70	Jessel Toynbee	74	.....	5.0	—	9.7	—
265	172	Joseph (Leo) £1	255	+2	10.45	—	6.1	—
104	84	King & Shax 20p	92	.....	5.75	—	8.9	—
284	235	Kleinwort B.L.	254	.....	9.0	—	5.1	—
420	292	Lloyds £1	390	−2	†17.1	6.1	6.4	3.1
98	55	Mannon Fin. 20p	85	.....	♦3.5	1.2	5.9	19.6
294	208	Mercury Secs.	240	.....	7.0	—	4.2	—
352	302	Midland £1	325	−3	21.5	3.9	9.4	3.2
£72½	£64	Do. 7½% 83-93	£65	−1	Q7½%	25.4	Q11.8	—
£82¾	£70½	Do. 10¼% 93-98	£72¼	.....	Q10¼%	25.4	Q15.9	—
92	63	Minster Assets	72½	.....	4.0	1.9	7.9	9.7

Hire Purchase, etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER AND ROADS

CHEMICALS, PLASTICS

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
500	295	Akzo Fl.20	460	.....	—	—	—	—
153	98	All'd Colloid 10p	141	.....	2.73	♦	2.8	♦
73	60	Anchor Chem.	73	.....	2.38	0.5	4.7	—
49	30	Arrow Chemicals	36	.....	—	—	—	—
£31	£23½	BASF AG DM50	£30½	.....	Q14%	1.4	4.8	15.0
*£28	£20¾	Bayer AG. DM.50	£27¾	−¼	Q21.88	1.2	8.4	10.2
110	86	Blagden Noakes	100	.....	6.0	2.1	8.6	(6.5)
117	90	Brent Chems 10p	103	−1	k2.0	2.0	2.8	21.4
27	14	Brit. Benzol 10p	27	.....	—	—	—	—
38	21	Brit. Tar Prd. 10p	30	.....	2.1	1.1	10.0	(23)
70	43	Catalin	70	.....	♦—	—	—	—
£103	£68	CibaG'gy 7¾% Ln.	£102	.....	Q7¾%	19.3	f7.4	—
£91	£85	Do.8%Cnv81/94	£89	+1	Q8%	4.3	f9.3	—
£88½	£82½	Do.8¼%Cnv.82/95	£87½	.....	Q8¼%	4.0	f9.7	—
132	105	Coalite Group	116	.....	4.76	4.2	5.1	5.8
64	46	Coates Bros.	58	−1	3.0	3.1	7.7	4.6
63	43	Do. 'A' NV	54	.....	3.0	3.1	8.2	4.3
18	15	Cory (Horace) 5p	15	−½	1.3	1.5	12.8	(6.3)
49	32	Croda Int. 10p	43	+½	3.1	1.3	10.3	(9.7)
27	18	Croda Int. Defd.	24	.....	—	—	—	—
18	13	Dlmr-Strand 5p	13	.....	—	—	—	—
132	116	Ellis & Everard	132	.....	6.5	♦	7.3	♦
195	112	Fisons £1	145	+5	10.0	—	9.9	—
44	36	Halstead (J.) 10p	40	.....	2.4	3.7	8.6	3.8
188	137	Hksn. Welch 50p	175	.....	7.5	2.3	6.1	10.3
282	223	Hoechst DM5	270	−1	Q21.9%	1.5	8.4	7.8
£99	£90	Do.Fn.10%Ln.	£94	.....	Q10%	—	f5.4	—
330	226	Imp. Chem. £1	278	+18	‡17.0	1.5	‡	(9.8)
41	34½	Do. 5%Pf. £1	35	+½	3.5	47.7	14.3	—
200	74	Int. Paint	200	.....	3.51	3.8	2.5	11.5
130	77	Laporte Inds. 50p	139	+2	7.0	1.2	8.4	13.7
198	145	Leigh Ints 5p	150	.....	5.63	1.8	5.4	(28)
65	40	‡Morley (R. H.) 10p	46	.....	b4.75	1.3	15.7	7.2
£43½	£27	Norsk H. Kr100	£39	−1¼	gQ12%	9.0	2.6	♦
£122	£46	Novo Inds. A/S 'B'	£91	.....	Q13%	5.8	1.0	19.9
93	64	Plysu 10p	93xd	+2	h1.89	3.9	2.9	9.9
226	170	Ransom Wm. 10p	226	.....	5.68	♦	3.6	♦
177	42	Rentokil 10p	151	.....	2.55	2.8	2.4	19.7
190	158	Scot. Ag. Ind. £1	190	.....	14.75	2.1	11.6	5.2
155	76	Stewart Plastics	148	.....	d2.74	4.0	2.6	13.5
14½	8	Thurgar Bardex 10p	14	.....	0.9	1.2	9.2	(22)
112	85	Wolstenholme	105	.....	5.75	2.6	8.1	6.1
45	27	Yorks Chems	37	.....	—	—	—	—

DRAPERY AND STORES

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
38	19½	Allebone 10p	28½	−½	1.0	—	5.0	—
34	22	Amber Day 20p	22	.....	2.86	—	18.6	—
41	24	Aquascutum 5p	35	.....	2.05	1.3	8.4	(25)
37	22	Do. 'A' 5p	29	.....	2.05	1.3	7.9	(40)
160	49	Baker's Strs. 10p	154	.....	h1.32	8.0	1.2	10.9
77	58	Bambers Stores 10p	66	.....	1.55	3.6	3.3	9.3
178	143	Beattie (J) 'A'	148	.....	4.5	3.8	4.5	8.3
49	27	Bentalls 10p	39	.....	1.35	1.4	4.9	17.8
11	6½	Boardman KO 5p	9	.....	0.25	♦	4.1	♦
26	18	Bolton Text. 5p	18	.....	1.25	—	9.9	—
99	50	Bremner	58	+1	4.3	1.2	11.2	10.4
184	132	Brit. Home Strs.	136	+2	4.5	2.6	4.7	10.6

ELECTRICALS

ELECTRICALS—Continued

ENGINEERING MACHINE TOOLS

FOOD, GROCERIES, ETC.

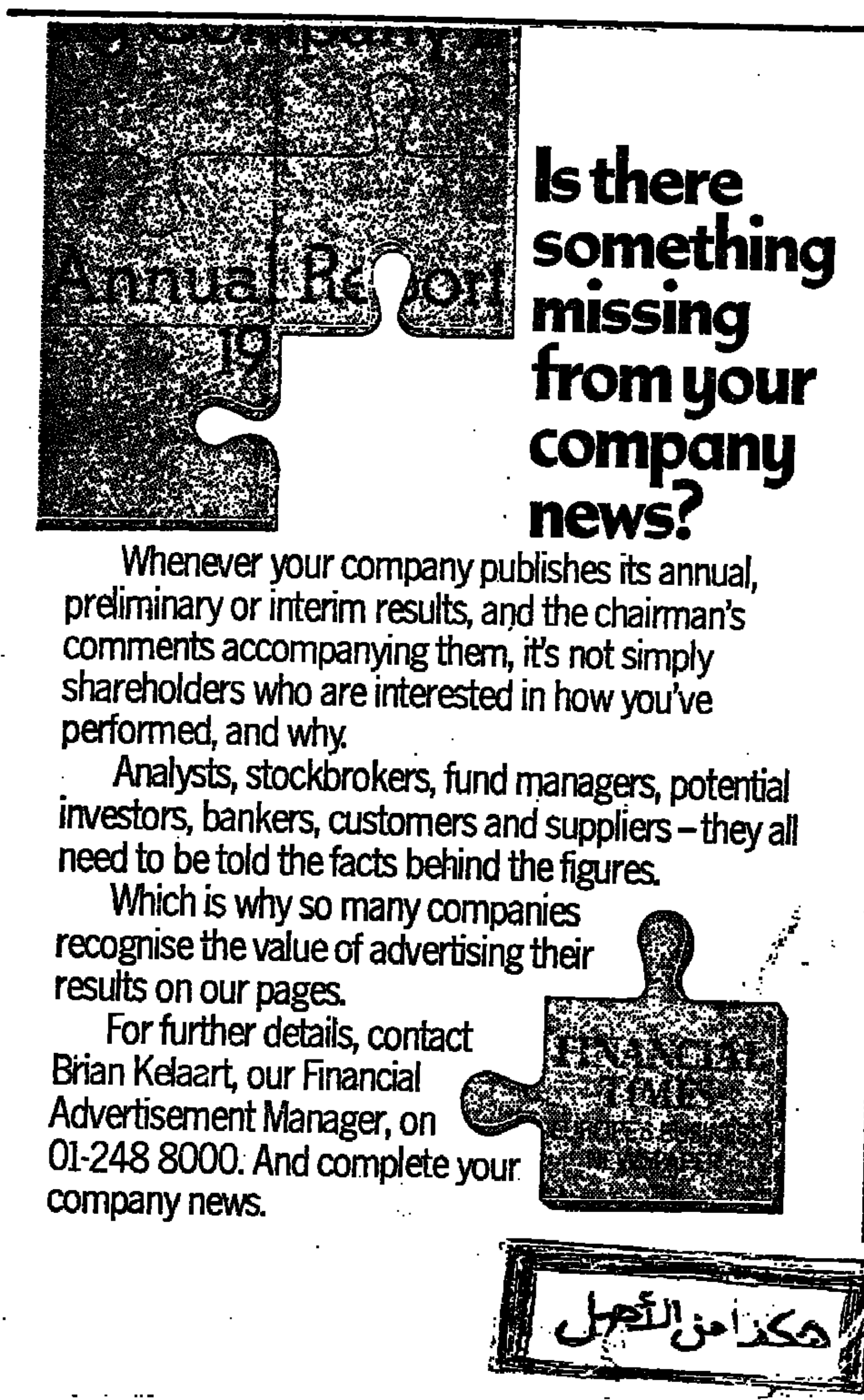
FOOD, GROCERIES—Cont.

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
80	72	F.M.C.	80	.....	6.0	2.3	10.7	4.7
14	11½	Fisher (A.) 5p	12	.....	0.31	3.7	3.7	11.0
80	67	Fitch Lovell 20p	75	+5	5.2	♦	10.4	♦
99	44	Glass Glover 5p	99xd	+2	t2.4	2.6	3.5	10.4
258	108	Hazlewood 20p	235	.....	d7.0	1.9	4.3	(5.8)
300	184	Hillards 10p	300	.....	t4.25	3.4	2.0	(15.8)
196	75	Hinton (A.) 10p	193	.....	6.0	2.6	4.4	(10.0)
86	76	Home Farm 10p	76	.....	g2.9	2.3	5.4	10.6
238	159	Kwik Save 10p	213	+3	t4.0	2.4	2.7	21.8
58	38	Lennons Gp. 10p	49xd	.....	2.4	♦	7.0	♦
165	125	Linfood Hldgs.	140	.....	11.0	1.8	11.2	(6.5)
36	32	Lockwoods	34♦	.....	0.1	—	0.4	—
80	60	Lovell (G.F.)	62	.....	t3.0	♦	‡	♦
175	146	Low (Wm.) 20p	175	.....	7.5	2.6	6.1	7.4
210	127	Matthews (B.)	147	.....	h4.38	4.5	4.2	5.6
91	82½	Meat Trade Sup.	90	.....	d7.88	2.2	12.5	9.5
174	87½	Morris'n(W.) 10p	150	.....	h1.25	6.8	1.1	17.4
65	35	Needlers	65	+5	d2.5	4.2	5.5	4.6
230	165	Nichols (Vimto)	215	.....	9.35	3.0	6.2	7.7
194	130	Northern Foods	156	+1	d4.4	2.5	4.0	12.1
143	106	Nurdin P'k. 10p	142	.....	t2.25	4.0	2.3	14.1
12	10	Panto (P.) 10p	11	.....	—	—	—	—
81	31½	Paterson (R.)	74	+4	2.18	♦	4.3	♦
43	38	Pyke Hldgs. 10p	43	.....	—	—	—	—
55	43	R.H.M.	45	.....	3.65	1.9	11.6	(5.4)
*190	147	Rowntree M. 50p	166	.....	7.25	2.3	6.2	8.2
£17⅝	£12⅝	Safeway Stores	£15⅝	+⅜	Q$2.60	—	8.4	—
435	330	Sainsbury (J.)	432	+3	7.25	3.2	2.4	14.7
31½	16	Shaglo 10p	26	.....	t1.0	3.4	5.5	(7.4)
£10½	385	Somportex	£10	+½	5.63	10.7	0.8	16.7
30	20	Squirrel H'n 12½p	27	−2	1.56	2.1	8.3	(6.6)
192	128	Tate & Lyle £1	160	−2	10.5	2.2	9.4	5.9
28	22	Tavener Rut. 20p	28	.....	—	—	—	—
71	53	Tesco 5p	57	−½	2.65	2.5	6.6	(6.1)
127	94	Unigate	98	−2	6.2	q2.8	9.0	7.1
127	77	United Biscuits	123	−1	4.37	2.2	5.1	(8.9)
50	34	Watson Php. 10p	44	.....	3.0	1.1	9.7	12.8

HOTELS AND CATERERS

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
80	48	Brent Walker 5p	52	+2	1.75	3.3	4.8	6.9
26½	21	Comfort Int. 10p	21	.....	0.6	3.5	4.2	7.6
265	206	De Vere Hotels	227	.....	6.0	1.1	3.8	(8.6)
35	24	Epicure 5p	30½	.....	t1.25	1.8	5.9	(11.5)
222	136	Grand Met. 50p	205	+2	t6.63	2.7	4.7	9.8
118	78	‡Kennedy Brks 10p	118	.....	d0.7	14.5	0.9	8.3
100	90	Kursaal (M'R.c.25)	100	.....	Q11.5%	2.5	3.3	10.8
170	118	Ladbroke 10p	165	.....	t6.76	2.4	5.8	7.3
*25	20½	Mt. Charlotte 10p	21	.....	0.7	2.6	4.9	(7.9)
49	30	Norfolk Cap 5p	34	.....	‡1.2	1.3	‡	(5.8)
30	24	North (M. F.) 10p	25	.....	0.8	1.3	4.6	21.6
85	63	Prince of Wales	67	.....	1.75	♦	3.7	♦

INDUSTRIALS (Miscel.)



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INDUSTRIALS—Continued

INSURANCE—Continued

1981 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
262	194	Refuge 5p	240	+2	12.3	—	7.3	—
*400	332	Royal	370	–8	24.0	—	9.3	—
144	104	Sedgwick 10p	134	–5	5.0	2.0	5.3	13.3
101	79	Stenhouse	94	......	4.65	1.8	7.1	9.9
241	180	Stewart Wr. 20p	218	......	12.0	1.3	8.2	12.2
929	688	Sun Alliance £1	910	–4	33.0	—	5.2	—
321	233	Sun Life 5p	304	–2	g9.0	—	4.2	—
758	543	Taisho Mar. EDR	690	–3	gQ10%	—	0.2	—
208	185	Trade Indemnity	195	......	6.34	—	4.6	—
£27½	£15⅝	Travelers $2.50	£23⅛xd	–⅛	Q$2.88	—	6.4	—
367	257	Willis Faber	360	......	12.0	2.8	4.8	15.1

LEISURE

1981 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
93	72	Anglia TV 'A'	87	......	t5.0	4.6	8.2	3.0
148	116	Assoc. Leisure 5p	118	+1	5.25	ϕ	6.6	ϕ
84½	61	Barr & W.A.T. 'A'	70	......	3.0	—	6.1	—
65	30	Black Edgtn. 50p	62	......	1.0	—	2.3	—
192	121	Boosey & Hawkes	168	......	5.67	—	4.8	—
56	36	Campari Int. 20p	36	......	t4.0	1.7	‡	(4.6)
60	40	Fairline Boats 10p	40	......	td3.5	1.2	‡	9.9
58	29	Glasgow Pavilion 10p	31	......	—	—	—	—
46	38	Grampian TVA 10p	39	......	2.75	2.4	10.1	5.8
108	74	HTV Non/Vtg.	80	......	10.0	2.2	17.9	3.8
104	64	Hawley Leisure	69	......	h2.67	2.9	5.5	(8.9)
*270	117	Horizon	240	......	t5.0	5.1	3.0	13.3
96	69	‡Intasun 10p	72	+1	g2.8	4.5	5.6	4.8
64	29	††Intervision 10p	44	......	—	—	—	—
27	15	Lancaster (D. M.) 5p	21	......	0.41	2.2	2.8	15.4
109	88	LWT "A"	107	......	10.07	1.8	13.4	(5.1)
216	154	Magnt. Ag. M. 10p	157	......	8.75	2.8	8.0	5.1
69	47	Maxminster 10p	62	......	t2.7	3.9	6.2	5.6
12	8	††Nationwide 5p	9	......	—	—	—	67.6
50	38	Norton & Wrt. 10p	38	......	1.0	—	3.8	—
*77	60	Old Swan (W'gate) 10p	66	......	g0.8	ϕ	1.7	ϕ
13	9	††Pan Atlas 20p	9	......	—	—	—	15.3
60	38	Photax (Lon.)	60	+2	3.5	4.8	8.3	3.7
335	182	Pleasurama 5p	313	......	t6.5	5.2	3.0	9.3
63½	56½	Redif. TV Pref. £1	56½	......	5.95	ϕ	15.0	—
360	232	Saga Hols. 20p	355	......	t9.0	3.1	3.6	9.8
310	145	Samuelson 20p	248	–17	d8.77	0.3	5.0	—
85	66	Scott. TV 'A' 10p	77	......	5.95	3.5	11.0	3.9
11½	6	††Tors Hill	6	......	—	—	—	6.1
57	43	Trid'nt TV 'A' 10p	54xd	......	4.0	1.6	10.6	8.5
34½	20	Webb (Jos.) 5p	28½	......	†hd0.57	3.5	2.6	12.1
24½	18½	Westward TV 10p	23xd	......	ϕ1.5	3.1	9.7	4.8
112½	75	Zetters 5p	99½	......	t2.5	4.3	3.6	9.2

MOTORS, AIRCRAFT TRADES

Motors and Cycles

1981 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
23	15	B.L. 50p	16	–2	—	—	—	—
150	91	Gen. Mts. Units	131	......	Q12c	—	4.7	—
60	45	Hesketh Motor 50p	45	......	—	—	—	—
265	100	Honda Motor	265	+8	Q10%	11.9	0.4	19.6
35	18	Lotus Car 10p	29	......	—	—	—	7.2
8½	3½	Reliant Motor 5p	6½	......	—	—	—	—
£13⅜	750	Volvo Kr50	£13⅝	......	Q16%	5.4	6.2	3.0

Commercial Vehicles

1981 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
56	35	E.R.F. (Hldgs.)	35	......	0.1	—	0.4	—
157	119	Plaxtons (GB)	119	......	8.5	4.4	10.2	2.2
21	12	York Trailer 10p	14#	......	B—	—	—	—

Components

1981 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
55	35½	A.E.	37	......	12.1	—	—	—
72	61½	Abbey Panels	66	......	d2.05	8.1	4.4	4.8
28	15	Airflow Stream	16	–1	0.1	—	0.9	—
54	35	Armst'ng Eq. 10p	35	......	td2.73	3.7	‡	2.6
75	42	Automotive	57	......	3.02	—	7.6	—
45	21	Bluemel Bros.	30	......	t3.3	1.7	‡	4.7
29½	20½	Brown Bros. 10p	28½	......	t2.1	3.1	‡	(2.4)
£17¼	8%	Dana Corp $1	£15¼	+⅛	Q$1.60	—	5.4	—
37	25	††Deltight	26	......	td3.0	2.4	‡	3.1
305	187	Dowty 50p	241	......	5.0	q3.2	3.0	11.7
87	57	Dunlop 50p	77	......	4.0	—	7.4	—
*387	229	Flight Refuelling	375	+3	N3.75	ϕ	1.4	ϕ
28	10½	Hmm. Smith 10p	22	......	†t0.37	8.7	2.4	6.9
112	80	Kwik-Fit Hldgs. 10p	97	+½	h1.36	3.2	2.0	22.2
240	159	Lucas Inds. £1	192	......	11.0	—	8.2	—
58	44	Solex (UK) A 50p	52	–1	0.1	—	0.3	—
61	44	Supra Group 10p	53	......	2.0	1.0	5.4	25.1
47	29	Woodhead (J.)	37	......	0.1	—	0.4	—

Garages and Distributors

1981 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
80	47	Adams Gibbon	63	......	3.75	1.9	8.5	(7.5)
11¼	7½	Alexanders 10p	10¼	......	—	—	—	6.0
63	34	Appleyard Grp.	62	+1	—	—	—	—
116	79	Arlington Motor	79xd	–1	5.0	ϕ	9.0	3.7
72	58	Attwood Garages	62	......	‡1.45	—	‡	—
23	11½	BSG Int. 10p	15½	......	—	—	—	—
29	16	Braid Group 5p	28	......	—	—	—	—
114	83	Bramall (C. D.)	110	......	d5.55	3.2	7.2	5.8
*87½	63½	Brit. Car Auct. 10p	73	–2	b3.2	1.8	6.3	13.8
138	102	Caffyns 50p	102	......	4.5	—	6.3	—
48	26½	Cowie (T.) 5p	34	......	3.0	2.1	12.6	4.5
96	36	Davis Godfrey	83	......	3.5	ϕ	6.1	ϕ
36	29	Dorada	33	......	2.1	—	9.1	—
53	36	Gates (F.G.)	49	......	2.0	4.9	5.8	4.6
38	30	Glanfield Lawr.	33	......	—	—	—	—
43	28	Hanger Ins. 10p	34	......	—	—	—	—
74	49	Harrison (T.C.)	72	......	2.95	2.7	5.9	9.0
106	72	Hartwells	86	......	5.37	1.7	8.9	(8.3)
99	69	Henlys 20p	82	......	6.0	—	10.5	—
31½	23	Heron Mtr. Grp.	24½	–½	0.8	—	4.8	—
47	38	Hurst (Charles)	42	......	2.98	ϕ	10.5	ϕ
36	23½	Jessups	30	......	2.0	—	9.5	—
87½	66½	Kenning Mtr.	66½	–½	5.5	0.1	12.1	—
114	81	Lex Service Grp.	105	–2	7.0	1.9	9.8	(6.3)
56	35	Lookers	46	......	3.85	2.0	12.4	5.5
14½	10	Manor Nat. Group 20p	13½	......	—	—	—	—
12	8	Nelson David 5p	8½	......	—	—	—	—
100	67	Perry (H.) Mtrs.	90	......	3.5	2.9	5.6	8.9
67	34	Quick (H. & J.) 10p	47	–1	1.15	1.2	3.5	(31.9)
94	56	Tate of Leeds	84	......	1.25	16.5	2.1	2.9
90	72	Western Mtr.	80	......	—	—	—	—

NEWSPAPERS, PUBLISHERS

1981 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
300	202	Ass. Book P. 20p	300	+5	7.5	1.5	3.6	(22.9)
293	213	Assoc. News	225xd	......	ϕ10.4	3.4	6.6	6.3
108	65	BPM Hldgs. 'A'	95	......	t5.25	2.7	7.9	5.3
63	47	Benn Brothers	54	......	3.4	1.7	9.0	8.5
89	65	Black (A. & C.)	80	......	2.0	—	3.6	—
210	103	Bristol Post	200xd	+2	11.0	ϕ	7.9	ϕ
263	122	Collins William	223	–2	b7.5	2.4	4.8	(9.8)
173	93	Do. "A"	135	–5	b7.5	2.4	7.9	(6.8)
523	410	Daily Mail 'A' 50p	428xd	......	†t26.0	1.2	8.7	13.4
118	82	E. Mid. Allied 'A'	109	–1	3.5	3.8	4.6	10.8
201	88	Gordon & Gotch	170	......	s7.5	ϕ	6.6	ϕ
140	110	Haynes Pub.	123	+3	†d7.0	0.8	8.1	16.6
80	50	Home Counties	75	......	6.5	1.2	12.4	10.0
115	98	Independent	118	......	Q62.9%	1.4	11.0	9.5
315	220	Int. Thomson	262	+16	†t12.36c	—	2.4	—
315	234	Do. Conv.	272	+14	10.5	—	5.5	—
235	215	Link House 20p	220	......	18.4	2.8	5.5	13.3
148	81	L'pool D. Post 50p	140	......	9.5	ϕ	9.7	ϕ
133	88	News Int. Sp. Div.	113	......	g4.5	3.3	5.8	6.9
185	149	Pearson Longman	164	......	8.36	2.8	7.3	5.4
125	75	Portsm'th & Sund.	108	......	3.25	4.8	4.3	6.2
116	110	Routledge & KP	115	......	3.0	ϕ	3.8	ϕ
375	220	Sharpe (W. N.) Hldgs.	350	......	7.0	5.3	2.9	9.4
225	185	Utd. Newspapers	200	......	12.0	1.5	8.6	9.9
56	33	Websters Grp. 5p	52	+1	2.3	2.1	6.3	9.5

PAPERS, PRINTING ADVERTISING

1981 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
*29½	21	Ass. I.D. 10p	21	......	t0.25	—	1.7	—
38	24	Assoc. Paper	36	......	t2.0	1.1	‡	(35.1)
41	32	Ault & Wiborg	32	......	1.8	2.7	8.0	5.2
22½	12	BPC	20½	......	B—	—	—	—
63	25	Bemrose	57	......	1.5	1.3	3.8	(20.7)
83	50	Brunning Grp.	74	......	d4.03	—	7.8	—
80	42	Do. Restric. Vtg.	60	–4	d4.03	—	9.6	—
147	109	Bunzl Pulp	133	–2	7.23	3.2	7.8	5.6
35	25	Capseals 5p	35	......	t3.3	3.0	13.5	2.9
35	23	Causton (Sir J.)	29	......	2.01	2.1	9.9	6.8
198	110	Chapman Bal. 50p	180	......	6.5	ϕ	5.2	ϕ
73	44	Clay (Richard)	56	......	3.0	1.9	7.7	(8.1)
95	75	Clondalkin Group	78	......	Q25.7%	4.5	8.8	3.6
21	12	Cradley 10p	18	......	d0.53	3.9	4.2	7.9
140	97	Cropper (James)	123	+3	2.5	1.8	2.9	(28.7)
21	17½	Culter Guard	19	......	—	—	—	15.9

PROPERTY

PROPERTY—Continued

1981 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
463	395	Lon. Prov. Shp. 10p	430	......	t2.4	1.6	0.8	—
*140	109	Lon. Shop Prop	110	......	t3.1	1.8	4.0	16.2
316	216	Lynton Hldgs. 20p	264xd	......	3.4	1.5	1.9	51.5
252	214	MEPC	235	+1	t5.75	1.2	3.5	30.8
56	39	Marlborough 5p	42	......	0.33	1.6	1.1	(72.8)
96	67	Marler Estates	90	......	2.0	2.4	3.2	(35.0)
29	23	McInerney 10p	24	......	Q28.6%	2.4	9.2	6.8
148	130	McKay Secs. 20p	140	......	t2.7	2.5	2.8	20.8
128	76	Mountleigh	112	–1	t3.0	4.3	3.8	6.5
202	146	Mountview 5p	168	......	2.9	7.6	2.5	7.6
125	100	Muckiow (A. & J.)	106	......	t3.88	2.5	5.2	(25.0)
400	280	New Cavendish 5p	390	......	—	—	—	—
209	143	North Brit. Props.	192	+1	t2.8	1.8	2.1	38.6
161	135	Peachey	148	+1	4.0	2.3	4.1	15.7
13½	8¼	Pennine Com. 10p	9½	–¼	—	—	—	—
75	44	Phoenix Mn. & Fin.	61	+1	—	—	—	—
*174	150	Prop. Hldg. & Inv.	160	......	3.08	1.6	2.8	36.3
265	202	Prop. Part'ship.	255	......	5.0	2.8	2.8	25.9
182	150	Prop. & Rev.	174	......	3.0	1.6	2.5	37.1
210	169	Prop. Sec. Inv 50p	176	......	t1.8	1.4	1.5	—
18	12½	Raglan Prop 1p	13½	......	ϕ—	—	—	—
46	29	Regalian	43	......	—	—	—	8.2
182	130	Regional Prop.	164	......	t1.9	2.3	1.7	37.2
180	130	Do. 'A'	158	......	t1.9	2.3	1.7	35.8
326	207	Rosehaugh 10p	324	+4	2.1	11.1	0.9	13.9
250	194	Rush & Tompkins	216	–2	3.75	8.5	2.5	—
131	107	Samuel Props.	115	......	t4.2	2.1	5.2	11.5
128	100	Scot. Metrop. 20p	111	......	t3.25	1.3	4.2	30.9
*78½	60	Second City 10p	64	......	b2.22	2.3	4.9	(9.8)
155	132	Slough Ests.	141	......	2.76	2.0	2.8	(21.9)
£283	£249	Do. 10% Conv. '90	£251	......	Q10%	22.2	t4.0	—
£135	£117	Do. 8% Cnv. 91-94	£118	......	Q8%	5.5	(6.9	—
373	313	Stock Conversn.	362	+2	†h3.21	3.3	1.3	32.9
152	70	Swire Props. $HK1	121	+1	hQ40c	ϕ	3.0	ϕ
242	126	Thames Inv. & Secs. £1	190	......	s6.38	1.2	3.9	(28.9)
200	105	Do. 12pcCv. Pf. 75p	165	......	12%	—	7.8	—
62	49	Town Centre	49	–1	b0.83	1.0	2.4	59.4
32½	25¼	Town & City 10p	26¼	......	0.01	—	—	—
184	142	Trafford Park	161	+1	t6.0	1.6	5.3	15.1
19½	14½	Trust of Prop. 5p	18	......	0.27	1.1	2.1	60.6
378	206	‡Trust Secs.	326	–7	‡u7.88	4.5	3.4	—
535	440	Utd. Real Prop.	495	......	6.0	1.2	1.7	70.7
395	280	Warner Estate	357	......	6.5	1.1	2.6	48.3
500	416	Warnford Inv. 20p	470	......	10.0	1.2	3.1	38.1
£23⅜	£20¼	Wereldhave Dfl20	£22	......	Q35.8%	1.8	6.7	14.6
80	54	W'stmin. & C'ty P.	74	......	t3.0	3.1	5.8	(6.1)
40	32	W'minster P. 20p	33½	......	d0.2	4.9	0.9	25.9
29	18	Wilson Peck	21	......	—	—	—	—
121	68	Winston Ests.	120	......	ϕ1.93	4.9	2.3	11.9

SHIPPING

1981 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
335	285	Brit. & Comm.	318	–4	12.5	3.7	5.6	5.8
380	290	Common Bros. 50p	345	–10	14.0	2.3	5.8	10.6
174	153	Fisher (J)	160	......	2.15	4.4	1.9	12.9
445	335	Golaas-Larsen $1	335	......	—	—	—	—
160	126	Hunting Gibson	128	......	6.0	3.5	6.7	4.8
42½	32½	Jacobs (J. I.) 20p	34½	......	tsd2.3	1.6	9.7	8.1
46	36½	Lon. O'Seas Frtrs.	39	......	1.07	—	3.9	—
*355	291	Lyle Shipping	320	......	9.5	4.8	4.2	5.4
26½	6¼	Mersey Dk. Units	24	......	—	—	—	—
140	92	Milford Docks £1	118	+3	0.5	—	0.6	—
150	114½	Ocean Transport	126	–1	9.0	2.2	10.2	(5.2)
163	112	P. & O. Defd. £1	125	–1	8.0	1.8	9.1	(7.4)
195	110	Reardon Sm. 50p	142	......	0.1	15.2	—	66.7
178	86	Do. 'A' 50p	132	......	0.1	15.2	—	62.0
146	113	Runciman (W.)	133	–1	7.5	2.8	8.1	6.0
£12½	800	Sea Containers 12½p	£11½	......	Q30c	—	1.3	—

SHOES AND LEATHER

1981 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
57	43	Footwear Ins.	51	......	‡5.04	0.7	14.1	15.3
82	69	Garnar Booth	82	......	6.25	—	10.9	—
42	32	Headlam, Sims 5p	41	......	2.37	3.8	8.3	(4.5)
58	33	Lambert Hth. 20p	51	......	4.06	2.4	11.4	(4.2)
59	35	Newbold & Burt'n	51	......	3.78	1.3	11.1	8.7
52	42	Pittard Grp.	48	+2	4.0	—	11.9	—
29	22	Scott (David) 10p	24½	......	1.58	1.1	9.8	(31.0)
81	54	Strong & Fisher	73	......	6.8	—	13.3	—
162	123	Stylo Shoes	148	......	3.0	8.5	3.0	—
74	52	Ward White	52	......	4.2	1.9	11.5	5.6

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

INVESTMENT TRUSTS-Cont.

1981 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
260	232	Dominion & Gen.	258	......	10.7	1.0	5.9
168	147	Drayton Com'cl.	159	......	7.0	1.1	6.4
182	162	Do. Cons.	169	......	7.6	1.2	6.4
90½	66½	Do. Far Eastern	89½	......	1.24	1.5	2.0
226	208	Do. Premier	214	......	10.2	1.1	6.9
78	68	Dualvest Inc. 50p	68½	......	6.97	1.0	14.5
494	384	Do. Capital £1	458	......	—	—	—
92	75	Dundee & Lon.	92	......	3.85	0.9	6.0
118	79	Edinburgh Am. Tst.	117	–1	0.8	1.1	1.0
77	61	Edinburgh Inv.	74	–1	1.96	1.0	3.8
60½	47	Electra Inv. Tst.	57	–½	2.69	1.0	6.7
125	107	Elect. & Gen.	124	......	2.45	1.2	2.9
500	462	Energy Res. & Serv. $5	487	......	—	—	—
126	109	Eng. & Internatl.	115	......	5.5	1.1	6.8
96	80½	Eng. & N.Y. Trust	92½	+1	4.05	1.1	6.3
76	63	Eng. & Scot. Inv.	75	......	1.8	1.1	3.4
29	24	Eng. Nat. Inv. Prfd.	27	......	2.36	1.5	12.5
80	73	Eng. Nat. Inv. Defd.	77	......	4.54	0.8	8.8
147	130	Equity Cons't £1	132xd	......	9.28	1.1	10.0
245	206	Do. Def'd 50p	220xd	......	10.15	1.0	6.6
300	263	Equity Inc. 50p	290	......	t16.5	1.1	8.1
89	71	Estate Duties	81	......	2.3	1.1	4.1
56	49½	F. & C. Eurotrust	53½	......	1.45	1.1	3.9
121	101	Family Inv. Tst.	118	......	6.0	1.1	7.3
14	12	First Charlotte Assets	12	......	—	—	—
128	101½	First Scot. Am.	125	–1	4.55	1.0	5.2
75	58	Foreign & Col.	70½	–½	h1.85	1.0	3.7
110	81	F.U.G.I.T. (R0.25)	110	......	tQ14c	ϕ	5.1
58	48	Fulcrum Inc.	48	......	4.6	1.1	13.7
6	3½	Do. Cap. 2½p	4	......	—	—	—
55½	45	Fundinvest Inc.	45	......	‡4.18	1.0	‡
144	96	Do. Cap.	115	......	—	—	—
111	96	G.T. Global Rec.	96	–1	—	—	—
362	261	G.T. Japan	356	......	t2.0	0.8	0.8
202	173	Gen. & Comm'cl.	195	......	9.35	1.1	6.8
122	103	Gen. Consolidtd.	111xd	......	5.9	1.1	7.6
332	265	General Funds	327xd	......	7.75	1.0	3.4
305	232	Do. Conv. 10p	305	......	—	—	—
188	167	Gen. Investors	186	......	6.0	1.2	4.6
65	51	Gen. Scottish	63	–1	2.9	ϕ	6.6
200	160	Gen. St'hldrs. 12½p	198	......	3.7	1.1	2.7
81½	71	Glasgow St'hldrs.	80xd	......	t2.2	1.1	3.9
156	134½	Globe Inv.	148½xd	......	7.5	ϕ	7.2
135	114½	Grange Trust	135	......	3.7	1.1	3.9
141	117½	Gt. North'n Inv.	131	–1	6.6	1.0	7.2
180	137	Greenbank Tst.	140	......	4.0	ϕ	4.1
184	144	Greenfriar Inv.	179	–1	2.0	1.4	1.6
300	205	Gresham Hse.	290	+3	3.65	2.2	1.8
86	73	Gresham Inv.	84½	......	t3.0	1.9	5.1
103	95	Group Investors	100	......	t2.8	1.1	4.0
116½	98	Guardian Inv. Tst.	107	......	4.7	1.0	6.3
104	74	Hambros	97xc	......	h3.0	1.1	4.4
135	114	Hill (Philip)	128	+2	6.1	1.0	6.8
168	118	Independent Inv.	150	......	0.5	ϕ	0.5
83½	69½	Industrial & Gen.	76½	–½	3.0	1.1	5.6
107	88	Internat'l Inv.	95½	......	4.15	1.1	6.2
304	236	Inv. in Success	304	......	4.9	1.1	2.3
128	96½	Investors' Cap.	124xd	–1	t3.05	1.1	3.5
208	88	Jardine Sec. HK$5	158	+2	Q55c	1.0	5.0
308	266	Jersey Gen. £1	303	......	Q20.0	1.8	6.6
77	68	Jos Holdings	77	......	†t3.25	1.2	6.0
53	42½	Jove Inv. Inc. 10p	44xd	......	4.3	1.1	14.0
9⅝	5¼	Do. Cap. 2p	6½	......	—	—	—
14½	11	Keep Investments 5p	13	......	0.39	0.6	4.3
230	196	Keystone Inv. 50p	214	......	10.5	1.2	7.0
163	125	Lake View Inv.	163	+1	3.85	1.2	3.4
85	73	Lanc. & Lon. Inv.	80	......	2.63	1.1	4.7
162	145	Law Debenture	149	......	7.25	1.2	7.0
£16⅜	£15⅛	Lazard Sdg. Res. 1p	£16⅜	......	2.59	—	—
48	39	Leda Inv. Inc. 20p	40½	......	4.27	1.0	15.6
56	42	Do. Cap. 5p	49½	......	—	—	—

Finance, Land, etc.

OIL AND GAS

OIL AND GAS—Continued

1981 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
*415	278	Brit. Petroleum	320	–2	t20.25	3.4	9.0	3.7
66	53	Do. 8% Pf. £1	53	......	5.6%	14.5	15.1	—
18	9	Brunswick Oil NL	11½	–½	—	—	—	—
190	115	Burmah £1	133	......	6.5	2.1	7.0	(7.9)
£65½	£55¾	Do. 8½ Ln. 91/96	£56¾	–¼	Q8½%	14.6	e16.6	—
305	187	‡CCP North Sea	223	–2	—	—	—	—
365	260	††Cambridge Pet. 20p	353	+1	ϕ—	—	—	—
230	157	††Candecca Res.	207	–3	—	—	—	—
189	118½	Carless Capel 10p	152	–1	2.75	1.7	2.6	28.7
89	67	Century 10p	77	......	2.8	2.8	5.2	8.0
190	135	Ceres Res. C$5.00	140	......	—	—	—	—
106	58	Charterhall 5p	69	–1	—	—	—	—
94	69	Charterhouse Pet.	87	–1	1.0	3.8	1.6	22.9
£23½	812	Cie Fr. Petroles B.	850	......	Q54%	ϕ	29.2	ϕ
28	10½	Claremont Pet NL	14	......	—	—	—	—
296	205	‡Cluff Oil £1	265	+10	—	—	—	—
304½	205	‡Do. Cnv. A	295	......	—	—	—	—
210	143	‡Clyde Petroleum	195	–2	0.55	1.8	0.4	—
27	13	Collins (IO) Pet 1c	19	–1	—	—	—	—
255	92	††Conroy Pet Ir£0.25	198	......	—	—	—	—
42	38	Dorset Res. C$1	42	+1	—	—	—	—
345	160	Double Eagle‖	180	......	—	—	—	—
278	208	††Edinburgh Secs.	228	+2	g1.28	1.4	0.8	—
185	100	††Egl'ton Oil & Gas	115	......	—	—	—	—
117	84	Energy Capital 12½p	87	......	—	—	—	—
104½	77	Falmouth Pet‖	85	–2	—	—	—	—
190	145	Flair Res.	145	–20	—	—	—	—
*134½	82	‡Floyd Oil 10p	180	......	—	—	—	—
345	164	††Gaelic Oil 20p	325	–10	—	—	—	—
555	425	‡Gas & O. Acre 20p	435	......	—	—	—	—
220	128	Genoa Oil NL 50c	198	......	—	—	—	—
£10⅜	375	Global Nat. Res. US$0.01	905	+5	—	—	—	—
400	238	Goldstream Res. Can.‖	343	+14	—	—	—	—
55	26	Hanga Pet C$1.00	29	+3	—	—	—	—
34½	22	Humboldt Eng C$1	25	–1	—	—	—	—
238	204	Hunting Petrol.	212	......	6.5	3.3	4.4	8.1
267	169½	Imp. Cont. Gas £1	282	–1	8.0	1.7	5.7	(12.0)
£111½	£82	Do. 8pc Cv Un 95-2000	£86½	......	Q8%	12.6	9.7	—
352	155	International Pet.‖	200	–10	—	—	—	—
*24½	9½	††Jessel Tst. 5p	16	......	—	—	—	—
206	132	KCA	163	–1	5.25	1.2	4.6	(20.0)
735	500	LASMO	585	–1	—	—	—	19.6
£101	£92¾	LASMO 14% 1981-83	£93¾	......	Q14%	—	14.9	—
£12⅛	887	LASMO "Ops" 10p	£10⅛	+⅛	71.19	—	10.0	—
535	365	Magellan Pet.	420	......	—	—	—	—
27	15	Magnet Metals 10c	17	......	—	—	—	—
170	115	††Mariner Pet. 10p	155	–5	—	—	—	—
£10	550	Moonie Oil A$0.50	575	......	Q5c	3.5	0.5	—
142	72	NCC Energy 10p	112	–3	ϕ1.75	—	2.2	—
92	46	‡New Court Nat. 5p	51xd	......	¶1.0	ϕ	3.3	ϕ
153	132	††Nth. Sea Assets 50p	145	......	2.0	1.0	2.0	72.0
170	125	††ORE 10p	165	–2	—	—	—	19.8
23	17½	Offshore 10c (pp)	21½	......	—	—	—	—
262	105	Ohio Resources	130	–10	—	—	—	—
45	35	Oil & Gas Prod $0.02	38	......	—	—	—	—
10	5	Do. Part Pd. $0.02	6½	......	—	—	—	—
345	239	Palliser Res.‖	295	–12	—	—	—	—
55	42	††Penine Res.	47	......	—	—	—	—
445	225	‡Pict. Pet. £1	235	–5	—	—	—	—
99	56	Premier Cons. 5p	75xc	–1	—	—	—	—
810	530	Ranger Oil‖	608	–17	—	—	—	—
£22	£15½	Royal Dutch Fl.10	£17¼	–⅛	Q68½%	3.9	7.6	3.4
230	175	S. & K. Pet. US$5.00	198	......	—	—	—	—
187	135	SASOL R1	162	–1	†Q13c	4.2	4.7	5.0
425	272	Santos A0.25c	375	–20	hQ4.3c	1.5	0.7	—
730	540	Sceptre Res.‖	540	–125	—	—	—	—
81	33	Shackleton Pet.	37	+1	—	—	—	—
470	331	Shell Trans. Reg.	394	+6	19.1	3.0	6.9	(5.0)
58	48	Do. 7% Pf. £1	48	......	4.9%	17.9	14.6	—
285	208	Silkolene	214	......	5.0	2.5	3.3	15.2
430	278	‡Sovereign Oil	375	–8	—	—	—	—
85	63	‡Steaua Rom. (Brit.)	70	......	—	—	—	—
218	82	Strata Oil N.L.	112	–4	—	—	—	—
220	170	Sunmark Pet.	190	+20	—	—	—	—
490	290	‡Sun (UK) Royalty 1p	320	......	—	—	—	—
101	89	TR Energy	98	......	—	—	—	—
£99	£67½	Texaco 4¾% Cnv.	£67½	–1	Q4¾%	—	‡7.2	—
230	165	Tri Basin Res.‖	185	–30	—	—	—	—
332	204	Tricentrol	284	......	8.4	3.5	4.2	9.6
520	420	Ultramar	512	+2	11.0	4.8	3.1	7.4
285	155	Warrior Res.‖	180	+20	—	—	—	—
490	325	Weeks (B'muda) 10c	340	......	—	—	—	—
490	350	Do. Pf. (Aust.) 10c	370	......	Q1.92	—	0.5	—
142	100	Westfort Pet.‖	105	+5	—	—	—	—
158	105	Woodside A50c	107	–4	—	—	—	—

OVERSEAS TRADERS

RUBBERS AND SISALS

TEAS

India and Bangladesh

Sri Lanka

Africa

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Finance

Diamond and Platinum

Central African

MINES—Continued

Australian

1981 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
45	32	Acmex 50c	42	......	Q2.5c	—	3.7
41	14	ACM 20c	32	–1	—	—	—
21	11½	Argosy Gold NL 25c	14	......	—	—	—
229	137	Bond Corp.	208	+2	Q7½c	1.9	2.2
104	76	Bougainville I Kina	92	–1	Q25.6	1.8	17.0
302	214	CRA 50c	246	–4	Q19c	1.7	4.7
25	15	Canada Northwest	15	......	—	—	—
35	16	Carr Boyd 20c	17	......	—	—	—
415	62	Central Pacific	77	–5	—	—	—
35	15	Cons. Gold Mns. NL 50c	15	......	—	—	—
47	26	Cultus Pacific N.L.	26	–2	—	—	—
68	22	Eagle Corp. 10c	50	–5	—	—	—
40	27	Endeavour 20c	27	......	—	—	—
500	310	G. M. Kalgoorlie 25c	370	–10	†Q13c	ϕ	2.2
25	9	Great Eastern	10	......	—	—	—
275	180	Hampton Areas 10p	225	......	2.5	ϕ	1.6
168	46	Haoma Gold N.L.	62	–1	—	—	—
85	22	Intl. Mining	25	......	—	—	—
118	39	Jimberlana (50cFP)	39	–3	—	—	—
245	135	Kitchener NL 25c	150	–5	—	—	—
105	38	Leichhardt Expln.	40	–5	—	—	—
430	275	Meekatharra	360	......	—	—	—
70	49	Metals Ex. 50c	53	–1	‡Q3c	2.9	3.5
38	20	Metramar Mns. 20cts.	25	–2	—	—	—
20	10	Mid East Mns. NL	13	......	—	—	—
290	190	M.I.M. Hldgs. 50c	228	–4	‡Q27.6c	1.7	‡
21	9½	Minefields Expl. 25c	9½	–2	—	—	—
28	13	Newmetal 20c	13	–2	—	—	—
69	41	Nickelore N.L.	49	+1	—	—	—
204	149	North B. Hill 50c	176	–6	Q18c	3.1	6.4
84	50	Nth. Kalgurli	71	–2	—	—	—
200	94	Nth. Mining Corp.	186	......	ϕ—	—	—
122	36	N. West Mining NL	47	–3	—	—	—
150	106	Oakbridge 50c	138	......	†Q12c	1.1	5.3
185	138	Otter Expl. N. L.	150	......	—	—	—
188	162	Pacific Copper	162	–4	—	—	—
605	340	Pancont'l 25c	370	......	—	—	—
85	42	Paringa M&Ex. 5p	85	+1	ϕ—	—	—
525	375	Peko-Wallsend 50c	395	–15	‡Q22½c	ϕ	3.5
43	24	Pelsart Res NL	24	......	—	—	—
120	65	Selcast A	70	–5	—	—	—
157	25	Southern Pacific	34	–1	—	—	—
100	40	Swan Resources 20c	84	–4	—	—	—
18½	9½	West Coast 25c	11½	......	—	—	—
327	227	Westn. Mining 50c	288	–5	Q14c	1.6	3.0
27	14½	Westmex	15	......	—	—	—
76	46	Whim Creek 20c	60	......	—	—	—
101	47	York Resources	48	–1	—	—	—

Tins

Copper

Miscellaneous

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ϕ Figures or report awaited.
- ‡ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- †† Dealt in under Rule 163(2)(a); not listed on any Stock Exchange and not subject to any listing requirements.
- ‡‡ Dealt in under Rule 163(3).
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganisation in progress.
- ϕ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ☆ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ‖ No par value.

ϕϕ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. ☆☆ Available only to UK pension schemes and insurance companies engaged in pension business. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1981-82. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1982. K Figures based on prospectus or other official estimates for 1981-82. M Dividend and yield based on prospectus or other official estimates for 1980. N Dividend and yield based on prospectus or other official estimates for 1981. P Figures based on prospectus or other official estimates for 1982. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xf ex capital distribution.

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

Stock	Price	+ or –	IRISH	Price	+ or –
Albany Inv. 20p	44	......	Conv. 9% '80/82	£91¾	......
Bertam	10	......	Nat. 9¾% 84/89	£64⅝	......
Bdg'wtr. Est. 50p	470	......	Fin. 13% 97/02	£79¾	–⅛
Craig & Rose £1	£13	......	Alliance Gas	70	......
Finlay Pkg. 5p	20½	......	Arnott	240	......
Graig Ship. £1	£22xd	......	Carroll (P.J.)	82	......
Higsons Brew.	63	......	Concrete Prods.	87	......
Holt (Jos) 25p	495	......	Heiton (Hldgs.)	25	......
I.O.M. Stm. £1	165	......	Irish Ropes	44	......
Pearce (C. H.)	790	......	Jacob	60	......
Peel Hldgs.	180	......	T.M.G.	14	......
Sheff. Refrshmt	95	......	Unidare	103	......
Sindall (Wm.)	195	......			

OPTIONS

3-month Call Rates

Industrials					
		House of Fraser	14	Utd. Drapery	6½
A. Brew	6½	I.C.I.	20	Vickers	10
BOC Intl.	11	"Imps"	7	Woolworths	6
B.S.R.	7	I.C.L.	6		
Babcock	11	Ladbroke	30	**Property**	
Barclays Bank	36	Legal & Gen.	20	Brit. Land	8
Beecham	18	Lex Service	10	Cap. Counties	11
Blue Circle	35	Lloyds Bank	28	Land Secs.	37
Boots	20	"Lofs"	4½	MEPC	20
Bowaters	24	London Brick	7	Peachey	15
Brit. Aerospace	17	Lucas Inds.	18	Samuel Props.	13
B.A.T.	25	"Mams"	20	Town & City	2¼
Brown (J.)	9	Mrks. & Spncr	11		
Burton Ord.	14	Midland Bank	26	**Oils**	
Cadburys	7½	N.E.I.	8	Brit. Petroleum	33
Courtaulds	7	Nat. West. Bank	32	Burmah Oil	16
Debenhams	10	P&O Dfd.	12	Charterhall	6
Distillers	17	Plessey	28	KCA	22
Dunlop	5½	Racal Elect.	34	Premier	7½
Eagle Star	25	R.H.M.	5	Shell	32
F.N.F.C.	3	Rank Org. Ord.	18	Tricentrol	30
Gen. Accident	30	Reed Intnl.	25	Ultramar	44
Gen. Electric	60	Sears	5		
Glaxo	28	Tesco	5½	**Mines**	
Grand Met.	18	Thorn EMI	30	Charter Cons.	21
G.U.S. 'A'	44	Trust Houses	15	Cons. Gold	45
Guardian	30	Tube Invest.	18	Lonrho	9
G.K.N.	15	Turner & Newall	18	Rio T. Zinc	45
Hawker Sidd.	25	Unilever	50		

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 25

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £600 per annum for each security

FINANCIAL TIMES
Friday July 31 1981

BELT-TIGHTENING PACKAGE WILL HIT ALL SECTORS

Bonn agrees spending cuts

BY JONATHAN CARR IN BONN

THE West German coalition Government partners have agreed on most of a DM 18bn (£3.9bn) "belt-tightening" programme designed to slow the growth of its budget next year and cut public borrowing sharply.

Virtually all sectors, from farmers and civil servants to the Federal armed forces, will be hit under the package—which is Bonn's biggest-ever effort at budgetary consolidation.

Main sectors affected by the cuts are:

- defence (close to DM 2bn);
- family allowances (about DM 1.5bn);
- the Federal Labour Office (more than DM 3bn);
- war veterans (over DM 300m).

In addition about 6,000 jobs in public administration will not be filled as they fall vacant.

Chancellor Helmut Schmidt said yesterday he believed the steps would help to take pressure off the capital markets, reduce interest rates, bring an economic upswing and improve the balance of payments.

He also quoted Herr Karl Otto Poehl, the Prsident of the independent Bundesbank, West Germany's central bank, as saying the measures should have a positive influence on the currency markets—where the D-Mark has been falling steadily against the dollar for months.

Herr Poehl was present at the day-long Cabinet session which followed intensive talks lasting almost a week between the coalition partners, the Social Democrats (SPD) and the Liberal Free Democrats (FDP).

Both parties had agreed that next year's budget should not exceed DM 241bn—an increase of 4.2 per cent on this year's figure, and that the net borrowing requirement had to be cut to less than DM 27bn (compared with a likely outurn for 1981 of about DM 35bn.

Achievement of these aims, which were formally confirmed by the Cabinet yesterday, implied making cuts in planned expenditure, and/or increases in revenue, next year amounting to more than DM 15bn, in excess of 1 per cent of gross national product.

The problem has been how to find a mix of measures which spread the load fairly, and which did not demand special sacrifices from the supporters of only one of the Government parties.

The upshot is that the coalition has agreed on a package worth DM 14.4bn—DM 12bn of that in expenditure cuts, DM 1bn in removal of tax subsidies and DM 1.4bn through an increase in tobacco tax.

A further sum of more than DM 3bn now has to be found over the next few weeks in talks between Herr Hans Matthoefer, the Finance Minister, and senior representatives of other Ministries. Herr Matthoefer gave assurances yesterday the package would be ready for final approval at a Cabinet session on September 2.

There was surprise yesterday that the Government had been able to make so much progress. On Wednesday, the SPD and FDP were still arguing about whether or not to introduce a supplementary income and corporation tax for a limited period to finance investment to create more jobs.

Electricity tariffs to stay frozen until April

By Martin Dickson,
Energy Correspondent

ELECTRICITY tariffs are expected to remain frozen until next April and rise by "about the level of inflation" in 1982-1983, the supply industry said yesterday.

This emerged along with the announcement of financial results for 1980-81 to end of March last, which show a substantial improvement over 1979-1980, despite a 4.2 per cent drop in demand. The supply industry consists of the Central Electricity Generating Board, 12 area retail boards and the umbrella body, the Electricity Council.

On a current cost accounting basis—adopted by the industry for the first time—operating profits were £303m, up £310m on the previous year. After interest charges, this became a net loss of £272m, compared with a loss of £499m.

On a historic cost basis the industry ended the year with operating profits of £930.6m, compared with £514m the previous year, and profits after interest of £373m, compared with £37m in 1979-80.

Electricity prices rose during the year 1980-81 by 27 per cent and further increases were announced last April, averaging 11.5 per cent effective immediately for domestic consumers and 14-16 per cent overall for industrial customers.

The non-tariff element of the industrial rise, relating to higher fuel prices, has still to take full effect.

Mr Austin Bunch, the chairman of the Electricity Council, said yesterday that the industry expected to meet its financial targets for the current year and "on that basis we shall be freezing our tariffs for the rest of the financial year."

Because of the recession, there are doubts whether the industry can meet its financial targets in 1982-83 without larger-than-planned price rises above the rate of inflation. But it is widely believed that the Government will lower the target to avoid such increases.

Mr Glyn England, chairman of the Central Electricity Generating Board, said the board expected £25m in compensation this year through the National Coal Board for cutting coal imports from 2m tonnes to 750,000 tonnes. The first instalment had not been received, however, and he warned that if it did not come soon the board might revert to its original plans.

Mr England said the Department of Energy had assured trade unionists that there were no plans to privatise or regionalise the industry.

Nuclear delay, Page 5

First gas deal should be pipe plan breakthrough

BY SUE CAMERON

THE FIRST contract for the delivery of North Sea natural gas through the UK's planned £2.7bn offshore gas gathering system was signed yesterday by British Gas and the U.S.-based Mobil.

The 20-year deal covering sales of gas from the North Sea Beryl field is expected to be a vital breakthrough in the deadlocked negotiations over the financing of the pipeline.

The planned offshore pipeline will gather natural gas and gas liquids from a number of North Sea fields. The gas will be fed into the British Gas transmission system for use in powering plants and heating offices and homes. The gas liquids will be used to make petrochemicals.

Mobil and British Gas carried out the feasibility study on the gas gathering system. The need to pipe Beryl gas ashore has always been one of the major reasons for building an offshore line.

A Government compromise on funding for the project will be the object of talks in London on Monday involving the Prime Minister, and, it is understood, Treasury and Energy Department Ministers and officials.

The Treasury is likely to be urged to agree that British Gas Corporation should underwrite the initial investment in the project.

Mr Hamish Gray, Minister of State for Energy, said in the Orkneys yesterday that "important discussions" over the next few days and weeks should resolve the main financing problems frustrating the progress of the pipeline scheme.

So far, said Mr Gray, these problems had not delayed the project, and the technical details were moving ahead "very well indeed. Our hope that the pipeline will be completed by the spring of 1985 is fully justified."

Mobil owns 50 per cent of the gas in the Beryl field and it has agreed to sell this to British Gas at an undisclosed price. Mobil gas will be piped ashore through the new system and be processed at St Fergus on the Scottish coast before being delivered to British Gas.

The terms of the contract will give the corporation 340m cubic metres of gas a year until 1993 when it will start to take 850m cubic metres a year.

Mobil is the operator on the Beryl field which has estimated recoverable gas reserves of 1.2 trillion (million million) cubic feet. The gas Corporation has a 10 per cent stake in the field and Amerada Petroleum and Texas North Sea—both U.S. companies—each have a 20 per cent interest.

British Gas is apparently negotiating with Amerada and Texas to buy their Beryl gas and bring it ashore through the new pipeline. The corporation is also thought to be discussing contracts with other North Sea gas producers, again with a view to piping the gas ashore through the new gathering system.

The planned pipeline has suffered from delays and rows over its financing since the Government gave the project its formal approval over a year ago. A major problem has been the Government's refusal to guarantee loans for the project—or to allow British Gas to do so—because of the implications this would have for the public sector borrowing requirement.

Sedgwick Continued from Page One

Without a U.S. concession the merged grop which would have had a market value of more than $1bn (£540m), would have had to face "an unduly onerous level of additional taxation on the combined group and its shareholders," a joint statement from the two companies said.

Both parties to the talks said yesterday that the tax hurdle was "absolutely the only consideration" in their failure. "There was no falling out. We are not hiding behind the tax issue," Mr Mills said.

The two companies said they would co-operate closely in the future through joint ventures and other means while "maintaining their respective policies of non-exclusivity."

Mr Mills was disappointed that the merger was not going ahead, but "very busy and buoyant." First-half trading had been significantly better than last year, he said.

CBI Continued from Page One

survey indicated "the worst of the recession is behind us."

CBI leaders refused to comment officially on Sir Geoffrey's remarks last night. But it was clear that they were surprised at what they regarded as he Chancellor's attempt to put an over-optimistic gloss on the survey.

They remembered that only a few months ago he and his colleagues had insisted that there was an upturn in the economy in the spring which had not happened.

The CBI is also conscious of the gloomy mood that has developed recently in the boardrooms of many major lending companies as industrialists are forced to accept that there is no sign of any real increase in demand to mobilise their slimmer and often more efficient companies.

The meeting of the CBI's economic situation committee last week, which studied the survey, was described by one participant as "the gloomiest I have ever attended."

Continued from Page 1

Telecoms

date.

The licenses will be both general, for a type of service, or for specific projects. The licensing will be by British Telecom and the Department of Industry.

Mr Baker denied the scheme would allow British Telecom to be obstructive in licensing competition. He said if it was blocking licences, companies could appeal to the DoI which had the final decision. Companies also could complain to the Office of Fair Trading.

The Government also indicated a favourable response to the setting up of a private competing business network proposed by a joint consortium of Cable and Wireless, British Petroleum, and Barclays Merchant Bank subject to a technical examination of the project.

The main problem is the allocation of radio frequencies which would be used in the local distribution of services in city centres. The allocation is a Home Office responsibility.

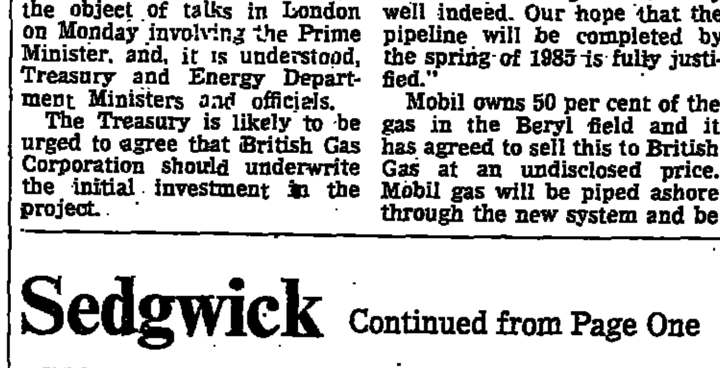
The proposed liberalisations follow three months' deliberation of a report by Professor Michael Beesley

The power behind the royal wedding

BY MARTIN DICKSON, ENERGY CORRESPONDENT

ELECTRICITY demand, frequently cited as a barometer of the national economy, turned out to be a "barometer of national emotions" during Wednesday's royal wedding said Mr Glyn England, chairman of the Central Electricity Generating Board yesterday.

Popular television programmes, such as the wedding coverage, can bring serious supply difficulties for the CEGB. When such programmes end, people all over the country put on kettles, ovens and lights or go to the lavatory, setting electrical sewage works pumps in motion and bringing dramatic surges in the demand for power.



The royal wedding, a unique TV event, was more problematic because there was no firm guide to how demand would vary. With hindsight, it provided an incidental picture of the rise and fall of the nation's interest in the nuptial proceedings.

The day began with a typical bank holiday demand profile but then (see graph) the need for power dropped by 10 per cent between 10 am and 11 am as people watched the procession to St Paul's on their television sets.

Just after Lady Diana reached the altar, demand suddenly picked up—presumably as those of a less religious disposition left their sets.

There were similar surges in demand at each of the subsequent lulls in the pageantry: when the solemnisation of matrimony ended; during the signing of the register; when the procession returned to Buckingham Palace and after the appearance of the Royal Family on the palace balcony.

The biggest leap came at 4.40 pm, after the departure of the Prince and Princess of Wales from Waterloo on their honeymoon. Demand rose by 1800 megawatts, nearly a national record, and it briefly caught the CEGB on the hop with insufficient power to match demand.

There were no blackouts but for a short time the board went just outside the frequency which it is statutorily obliged to maintain on the grid.

Across the nation millions of people had begun brewing revivifying cups of tea, and doubtless flushing away tons of tear-stained paper handkerchiefs.

Retention of statutory training urged

By Alan Pike

RETENTION OF statutory industrial training boards in industries employing nearly one third of the national labour force was recommended to the Government by the Manpower Services Commission yesterday.

The Commission which was asked by Mr James Prior, Employment Secretary, to undertake a sector-by-sector review of industrial training, favours retention of a strong statutory element despite the Government's declared preference for voluntary arrangements.

In its report the MSC, which is responsible for running the employment and training services, recommends that statutory training boards should remain in the engineering, construction, ceramics, clothing, hotel and catering, road transport and rubber and plastics industries. It was unable to reach final conclusions on future training arrangements in those areas covered by the other 17 statutory training boards.

The seven boards which the commission wants to retain cover some 7m workers. The remainder have less than 5m between them.

Under the Employment and Training Bill, due to receive Royal assent, Mr Prior will not necessarily have to accept an MSC recommendation. The commission's report will, however, strengthen the hand of union leaders and MPs—including a number of Conservative backbenchers—who have doubts about dismantling statutory training arrangements.

While the report acknowledges that there can be merits in vountary arrangements, it warns that there can also be risks.

"We can be sure that once a statutory body has been wound up it will not easily be re-established—even if it became clear that the achievement of training objectives was being prejudiced," it states.

The commission recommends that industries where voluntary arrangements are thought possible should be required to prepare detailed plans by October.

Mr Prior would then be able to take these into account when deciding about the future of industrial training in Britain. He is expected to do this in the autumn.

Plans to transfer the operating costs of statutory boards from the Government to industry should, says the commission, be deferred for at least three years while the winding up costs of boards which are abolished should be met by the Government.

Details, Page 5
Editorial Comment, Page 12

Weather

UK TODAY

SUNNY but outbreaks of rain likely in the south.

London, S.E. and S. England
Sunny periods with outbreaks of rain and possibly thunder later. Max. 24C (75F).

N. and E. England, Midlands,
Early mist giving way to sun. Dry. Max. 23C (73F).

S.W. England, Channel Isles
Rain, thunder but sunny intervals. Max. 23C (73F).

N.W. England, E., S.W. and Central Scotland, N. Ireland
Cloudy, brighter inland. Mainly dry. Max. 20C (68F).

Outlook: Mainly dry and warm.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	S	25	77	L. Ang.†	C	18	64
Algiers		—	—	Luxmbg.	F	22	72
Amsdm.	C	18	64	Luxor	S	38	100
Athens	F	28	82	Madrid	F	35	95
Bahrain		—	—	Majorca	S	28	52
Barclna.		—	—	Malaga	F	29	84
Beirut	C	27	81	Malta	S	27	81
Belfast	C	13	55	M'chstr	S	17	63
Belgrd.	F	25	77	Melbne.		—	—
Berlin	C	17	63	Mx. C.†		—	—
Biarritz	C	31	88	Miami†	S	27	81
Bmghm.	S	21	70	Milan	S	27	81
Blackpl.	S	16	61	Montrl.†	S	16	61
Bordx	S	33	91	Moscow	F	35	35
Boulgn.	F	20	68	Munich	F	24	75
Bristol	S	21	70	Nairobi		—	—
Brussels	F	19	66	Naples	S	27	81
Budpst.	F	24	75	Nassau		—	—
Cairo		—	—	Nwcstl.	S	21	70
Cardiff	S	21	70	N. York†	S	18	64
Cas'b'ca	S	25	77	Nice	S	24	75
Cape T.		—	—	Nicosia	S	28	82
Chicg.†	S	13	55	Oporto	C	16	61
Cologne	C	18	64	Oslo	F	22	72
Cpnhgn.	C	18	64	Paris	S	26	79
Corfu	S	28	82	Perth		—	—
Denver†	F	19	66	Prague	C	19	66
Dublin	C	15	59	Rykjvk.	F	11	52
Dbrvnk.	S	25	77	Rhodes	S	28	82
Ednbgh.	S	19	66	Rio J'o†		—	—
Faro	C	33	91	Rome	S	26	79
Florence	S	26	79	Salzbrg.	S	25	77
Frankft.	F	21	70	S'cisco†	F	11	52
Funchal	F	23	73	S. Mritz.		—	—
Geneva	S	27	81	Singapr.		—	—
Gibrltr.	S	27	81	S'tiago†		—	—
Gl'sg'w	S	17	63	Stckhm.	R	16	61
G'nsey	F	19	66	Strasbg.	S	28	82
Helsinki	C	20	68	Sydney		—	—
H. Kong		—	—	Tangier	F	31	88
Innsbrk.	S	26	79	Tel Aviv	F	28	82
Invrnss.	F	18	64	Tenerife	S	25	77
I. o Man	F	15	59	Tokyo		—	—
Istanbul	C	22	72	T'r'nto†	S	17	63
Jersey	S	23	73	Tunis	S	31	88
Jo'burg		—	—	Valencia	S	29	84
L. Plms.	S	24	75	Venice	S	25	77
Lisbon	F	23	73	Vienna	S	25	77
Locarno	S	25	77	Warsaw	C	15	59
London	F	22	72	Zurich	S	25	77

C—Cloudy. F—Fair. R—Rain. S—Sunny. Sn—Snow. T—Thunder.
† Noon GMT temperatures.

THE LEX COLUMN

ICI's long slow convalescence

The gilt-edged market knows better than to take any notice of Treasury protestations that public borrowing is on course, but the decision to make Granny bonds available to all, promising a further shift of the funding burden away from gilts, might perhaps have been expected to raise a cheer. There was some sort of a rally in late trading, but too many disillusioned investors see the move as a desperate attempt to restore confidence rather than as a logical and enlightened extension of funding policy.

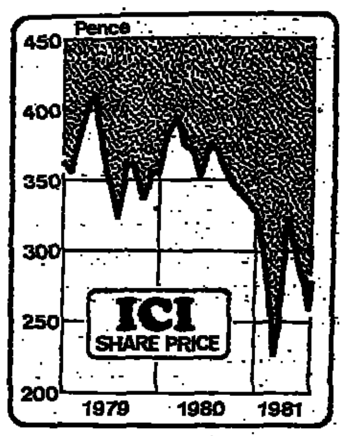
ICI

ICI's first quarter figures co-incided with the peak of the equity market at the end of April, when the City was at its most confident about the trend of corporate profits. Since then optimism has given way to gloom, and the shares have come back sharply, by as much as 20 per cent at one stage. Yesterday's second quarter figures justify neither extreme; pre-tax profits of £83m compare with £52m in the first quarter and £103m in the second quarter of 1980. This gentle climb looks satisfactory enough, but ICI warns that there is still no sign of a general recovery in demand.

The second quarter traditionally sees good volume in the North American markets, and in the agricultural division in the UK. Export sales outside continental Western Europe have also been relatively strong, and thanks to the fall in sterling ICI is no longer losing money on export business, although this will have had only a modest effect in the second quarter. Bigger refining losses and higher exploration spending reduced the contribution from the oil interests, but the scale of losses in fibres, organics, plastics and petrochemicals is shrinking as the cost reductions in these businesses work through. Redundancy costs taken above the line were roughly £10m in the April-June quarter, some £7m less than in the first three months.

It is now looking as though profits for the year will be little different from last year's £284m—slightly higher perhaps if sterling weakens further—which will leave no cover for the dividend on the current cost convention. At 9p the interim payment is slightly higher than the market was looking for, but it seems very likely that an unchanged 17p will be paid for the year as a whole.

Index rose 0.6 to 525.9



The 9 per cent yield looks enough to support the shares at yesterday's price of 278p, up 10p, but it is hard to get excited about them.

Lonrho

A lot of money goes through Lonrho's profit and loss account, but unfortunately a large part of it fails to stick. In the first six months—to March—pre-tax profits have fallen by 18 per cent to £40.7m, but the tax burden is little eased and minorities are higher. So at the attributable level profits have halved to £8.8m—just enough to pay the interim dividend.

The UK companies are having a hard time, while the mining interests are this year a depressing influence, and with gearing at every level, the downward pressure on profits is considerable. Meanwhile, House of Fraser shares seem to have become established at levels well above the 150p of the last bid, so should there be Monopolies Commission clearance, a renewed attempt will prove expensive. Overdraft facilities will no doubt be readily available — judging by banks' reactions to the Conoco auction —but Lonrho will need all its enthusiasm for taking risks. The shares shed 2p yesterday to 92p.

Ofrex

Gallaher has delivered what looks like a knock-out blow with its 160p per share cash bid for Ofrex. The prospect of taking a £1.5m gross profit on its existing holding will probably help dissuade Dennison from entering an auction with so determined a contender.

It may in any case be asking itself whether Ofrex is worth any more than the 130p it offered last week, when shareholders were falling over themselves to sell in the market. Gallaher's bid is double the price at which Ofrex shares were trading two months ago and represents a premium over current cost net worth. These assets produced a current cost return of under 1 per cent last year so, even allowing for the difficult trading conditions, the Gallaher price looks generous.

Gallaher is determined to carve out a new operating area and, with £150m to spend, can afford to pay a little over the odds for a core business. But yesterday's interim figures did little to dispel the doubts about Gallaher's diversification strategy. Distribution showed a strong profits gain but the performance of the industrial interests is still lagging some way behind the dominant tobacco business.

Sedgwick/Alexander

It is not for nothing that cross-Atlantic mergers are rare, and yesterday Sedgwick Group and Alexander gave up the attempt to unravel the resulting tax spaghetti. Even a Unilever-style arrangement would require a prior nod from the tax authorities, and apparently the U.S. Internal Revenue Service is not in an obliging mood.

Now that a merger is ruled out, it is just possible that one of the two frustrated parties will launch an outright takeover bid for the other, but corporate pride on both sides is such that a bid either way would be fiercely contested. The excitement may spread to other insurance brokers, although the drop reported yesterday in Marsh and McLennan's second quarter earnings—blamed on its take-over of Bowring—may have eased the burning urge to establish a rival giant.

From the point of view of Sedgwick's shareholders the announcement eliminates the worry that the merger terms would be to the detriment of the UK group—a factor which helped to push the shares down 10p when the proposal was unveiled. So the 5p drop in the share price yesterday — to 134p — looks an over-reaction, especially in the light of the confident profits forecast.

Registered at the Post Office. Printed by St. Clement's Press for and published by the Financial Times Ltd., Bracken House, Cannon Street, London, EC4P 4BY.
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